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CRICKET COMMUNICATIONS, INC.

11 UNITED STATES DISTRICT COURT
12 SOUTHERN DISTRICT OF CALIFORNIA

13 '07 CV 2332 WQH JMA

14 CRICKET COMMUNICATIONS, INC.,

15 Plaintiff,

16 v.

17 VISUAL INTERACTIVE PHONE
18 CONCEPTS, INC.,

19 Defendant.

Case No.

COMPLAINT FOR DECLARATORY RELIEF OF
PATENT INVALIDITY AND NON-INFRINGEMENT

DEMAND FOR JURY TRIAL

FILED

07 DEC 13 PM 2:14

CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

BY:

DEPUTY

CR

1 Plaintiff Cricket Communications, Inc. ("Cricket") alleges as follows:

2 **INTRODUCTION**

3 1. This is an action under the Federal Declaratory Judgment Act, 28 U.S.C. §§ 2201
4 and 2202, against Visual Interactive Phone Concepts, Inc. for a declaration that pursuant to the
5 patent laws of the United States, 35 U.S.C. §§ 1 *et seq.*, certain patents allegedly owned by it are
6 non-infringed and invalid.

7 **THE PARTIES**

8 2. Cricket Communications, Inc. ("Cricket") was founded in 1999 as a subsidiary of
9 Leap Wireless International, Inc. and provides mobile phone services. Cricket maintains its
10 principal offices at 10307 Pacific Center Court, San Diego, California 92121. Cricket is a
11 corporation organized under the laws of the State of Delaware.

12 3. Cricket is informed and believes, and based thereon alleges, that Defendant
13 Visual Interactive Phone Concepts, Inc. ("VIPC") is a corporation organized under the laws of
14 the State of Nevada, having its principal place of business in Staten Island, New York.

15 **JURISDICTION AND VENUE**

16 4. Counts One through Five seek declaratory relief under the Declaratory Judgment
17 Act, Title 28, United States Code, Sections 2201 and 2202, and the patent laws of the United
18 States, 35 U.S.C. § 1 *et seq.* This Court has subject matter jurisdiction of that claim by reason of
19 Title 28, United States Code, Sections 1331 and 1338(a). On information and belief, this Court
20 has personal jurisdiction over VIPC because VIPC has constitutionally sufficient contacts with
21 California.

22 5. Venue is proper in this District under Title 28, United States Code, Sections
23 1391(b) and 1400(b). On information and belief, VIPC does business in this District, including
24 but not limited to the act of filing a lawsuit alleging patent infringement against Cricket's parent
25 company, Leap Wireless, Inc. (*see* Case No. 07-CV-1991 DMS LSP).

BACKGROUND AND GENERAL ALLEGATIONS

6. On February 25, 1997, U.S. Patent No. 5,606,361 (hereinafter referred to as "the '361 patent") entitled "Videophone Interactive Mailbox Facility System and Method of Processing Information," was allegedly issued to John Davidsohn and Anthony Cinotti, and is now purportedly owned by VIPC. A copy of the '361 patent is attached to this Complaint as Exhibit 1.

7. On March 3, 1998, U.S. Patent No. 5,724,092 (hereinafter referred to as "the '092 patent") entitled "Videophone Interactive Mailbox Facility System and Method of Processing Information," was allegedly issued to John Davidsohn and Anthony Cinotti, and is now purportedly owned by VIPC. The '092 patent is a continuation of the '361 patent. A copy of the '092 patent is attached to this Complaint as Exhibit 2.

8. On October 15, 2007, VIPC filed a lawsuit in this Court against Cricket's parent company, Leap Wireless, Inc., charging Leap Wireless with infringing the '361 patent and the '092 patent (*see* Case No. 07-CV-1991 DMS LSP). Consequently, VIPC has indirectly charged Cricket with infringement under these circumstances. Cricket denies any allegations of infringement and contends the '361 patent and '092 patent are invalid, void, and/or unenforceable. This conduct gives rise to an Article III case or controversy as to Cricket.

9. By virtue of these acts, an actual and justiciable controversy exists between the parties concerning the '361 and '092 patents and concerning any liability for alleged infringement.

FIRST CLAIM FOR RELIEF
(Declaratory Judgment – Non-infringement of the '361 Patent)

10. Plaintiff incorporates by reference paragraphs 1 through 9 above as though fully set forth herein.

11. Neither Cricket nor its customers directly infringe, either literally or under the Doctrine of Equivalents, or induce or contribute to the infringement of, any valid claim of the '361 patent.

1 **SECOND CLAIM FOR RELIEF**
2 **(Declaratory Judgment – Invalidity of the ‘361 Patent)**

3 12. Plaintiff incorporates by reference paragraphs 1 through 11 above as though fully
4 set forth herein.

5 13. The ‘361 patent is invalid, void, and/or unenforceable for failure to meet the
6 conditions for patentability specified in, including but not limited to, 35 U.S.C. §§ 101, 102, 103,
7 112 115, 116, 132, and/or 256.

8 **THIRD CLAIM FOR RELIEF**
9 **(Declaratory Judgment – Non-infringement of the ‘092 Patent)**

10 14. Plaintiff incorporates by reference paragraphs 1 through 13 above as though fully
11 set forth herein.

12 15. Neither Cricket nor its customers directly infringe, either literally or under the
13 Doctrine of Equivalents, or induce or contribute to the infringement of, any valid claim of the
14 ‘092 patent.

15 **FOURTH CLAIM FOR RELIEF**
16 **(Declaratory Judgment – Invalidity of the ‘092 Patent)**

17 16. Plaintiff incorporates by reference paragraphs 1 through 15 above as though fully
18 set forth herein.

19 17. The ‘092 patent is invalid, void, and/or unenforceable for failure to meet the
20 conditions for patentability specified in, including but not limited to, 35 U.S.C. §§ 101, 102, 103,
21 112 115, 116, 132, and/or 256.

22 **FIFTH CLAIM FOR RELIEF**
23 **(Declaratory Judgment – Inequitable Conduct)**

24 18. Plaintiff incorporates by reference paragraphs 1 through 17 above as though fully
25 set forth herein.

26 19. Upon information and belief, VIPC filed a “petition to make special” in the
27 United States Patent Office (“USPTO”) to obtain expedited examination of its original patent
28 application. As a necessary part of that petition, VIPC represented to the USPTO that it had

1 performed a thorough prior art search. VIPC further represented to the USPTO that the only
2 prior art references that it had located did not invalidate any of the claims of the original patent
3 application, because none of those references disclosed a "videophone." These references
4 include U.S. Patent No. 5,311,302 (hereinafter referred to as "the '302 patent"), entitled
5 "Entertainment and Data Management System for Passenger Vehicle including Individual Seat
6 Interactive Video Terminals," issued to Dickey J. Berry and Richard A. Bertagna. However, the
7 '302 patent discloses a video telephonic device that falls directly within the broad definition of
8 "videophone" provided by VIPC in the specifications of the '361 and '092 patents. *See, e.g.*,
9 '361 patent, col. 10, ll. 32-49.

10 20. The intentional misrepresentation of the '302 patent prior art reference to the
11 USPTO, carried out knowingly and in bad faith by at least inventors Davidsohn and Cinotti and
12 other individuals who were involved in the prosecution of the application that led to the '361 and
13 '092 patents, constitutes inequitable conduct. Said misrepresentation was material to the
14 prosecution of the '361 patent and constituted inequitable conduct. As a result, the '361 and '092
15 patents are unenforceable.

16 PRAYER FOR RELIEF

17 WHEREFORE, Plaintiff prays for relief against VIPC as follows:

18 a) For a declaration that the Plaintiff has not infringed and does not infringe any
19 valid claim of the '361 patent;

20 b) For a declaration that each claim of the '361 patent is invalid, void and/or
21 unenforceable;

22 c) For a declaration that the Plaintiff has not infringed and does not infringe any
23 valid claim of the '092 patent;

24 d) For a declaration that each claim of the '092 patent is invalid, void and/or
25 unenforceable;

- 1 e) For a declaration that this is an exceptional case under 35 U.S.C. § 285 and award
2 Plaintiff its attorneys' fees and expenses in this action; and
3 f) For such other relief as the Court may deem just and proper.
4

5 Dated: December 13, 2007

6 LATHAM & WATKINS LLP
7 Stephen P. Swinton
8 Sean S. Pak

9 By: 

10 Attorneys for Plaintiff
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JURY DEMAND

Pursuant to Federal Rule of Civil Procedure 38(b), Cricket Communications, Inc. hereby demands a trial by jury on all issues so triable.

Dated: December 13, 2007

LATHAM & WATKINS LLP
Stephen P. Swinton
Sean S. Pak

By: 

Attorneys for Plaintiff
CRICKET COMMUNICATIONS, INC.
E-mail: steve.swinton@lw.com



US005606361A

United States Patent [19]**Davidsohn et al.**[11] **Patent Number:** **5,606,361**[45] **Date of Patent:** **Feb. 25, 1997**

[54] **VIDEOPHONE INTERACTIVE MAILBOX FACILITY SYSTEM AND METHOD OF PROCESSING INFORMATION**

[76] Inventors: **John Davidsohn**, 7 S. Hollow Rd., Dix Hills, N.Y. 11746; **Anthony Cinotti**, 410 Hillside Ave., Mahwah, N.J. 07430

[21] Appl. No.: **438,892**

[22] Filed: **May 10, 1995**

[51] Int. Cl.⁶ **H04N 11/00; H04N 7/12**

[52] U.S. Cl. **348/14; 379/96; 364/226**

[58] Field of Search **348/14-20; 379/93-99, 379/90, 91; 364/401, 405**

[56] **References Cited****U.S. PATENT DOCUMENTS**

4,645,873	2/1987	Chomet .	
4,707,592	11/1987	Ware .	
4,734,858	3/1988	Schlafly .	
4,788,682	11/1988	Vij et al. .	
4,845,636	7/1989	Walker	379/90
4,860,123	8/1989	McCalley .	
4,897,865	1/1990	Canuel .	
4,943,995	7/1990	Daudelin et al. .	
5,062,136	10/1991	Gattis et al.	379/90
5,089,954	2/1992	Rago .	
5,283,731	2/1994	Lalonde et al. .	
5,311,302	5/1994	Berry et al. .	
5,325,423	6/1994	Lewis .	
5,365,577	11/1994	Davis et al.	379/96
5,416,831	5/1995	Chewning, III et al.	379/97

5,448,285 9/1995 Kadowaki 379/96
5,450,123 9/1995 Smith 379/96

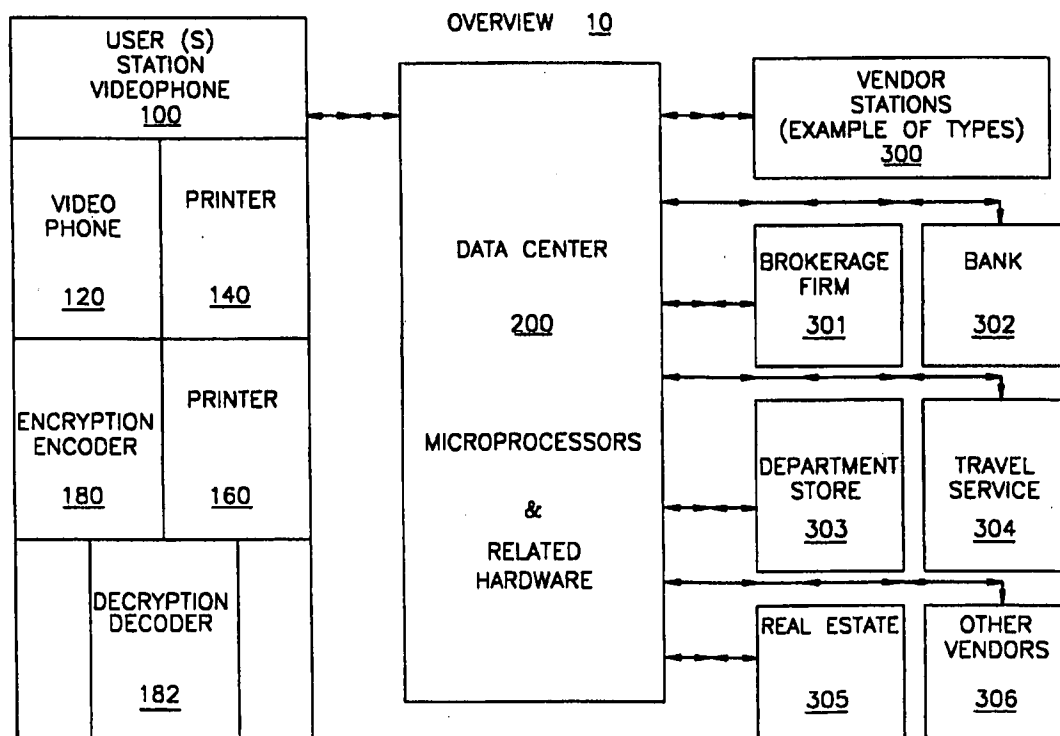
Primary Examiner—Wing F. Chan

Attorney, Agent, or Firm—Ezra Sutton

[57] **ABSTRACT**

A videophone interactive mailbox facility system for processing of information to conduct a transaction which includes a user station, a vendor station, and a central data center. The user station has a videophone for viewing information sent or received to conduct a transaction; an encryption encoder and a decryption decoder for safeguarding the information sent or received; and a touch pad for inputting the information into the videophone. The vendor station has a computer for the transmission and receipt of vendor-type information to or from the central data center for conducting a transaction; and an encryption encoder and a decryption decoder for message privacy and transaction authentication of the information sent or received. The central data center is electronically connected to the user station and to the vendor station and includes a computer processor for centralized transmitting, receipt of and storage of all information and transactions with the user station and the vendor station. The computer is electronically connected to one or more telephones and includes a display screen for monitoring the transactions. Also included is an encryption encoder and a decryption decoder for authentication of the information sent or received, and a network interface for electronically connecting and making compatible the computer used by the vendor station.

9 Claims, 7 Drawing Sheets

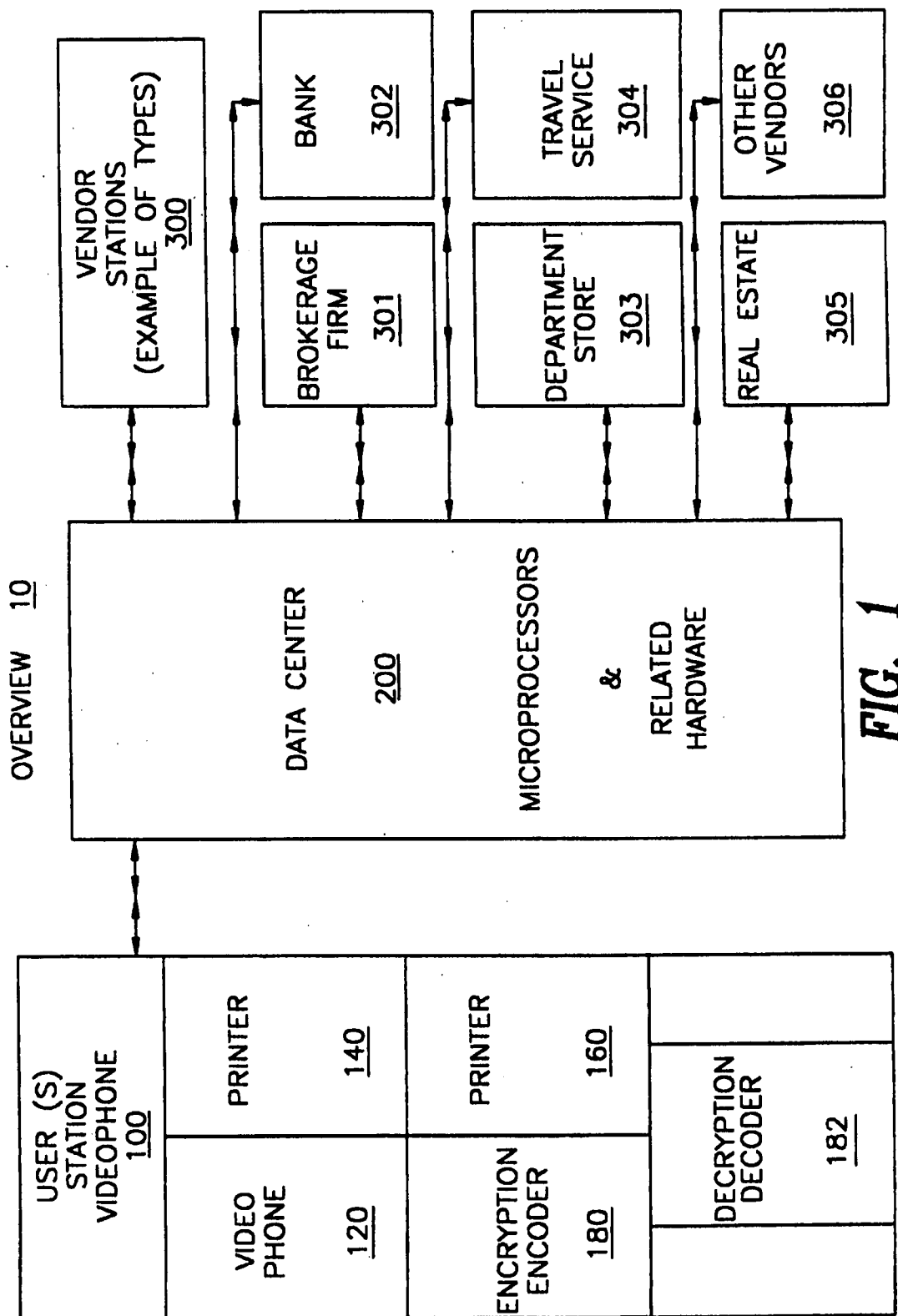


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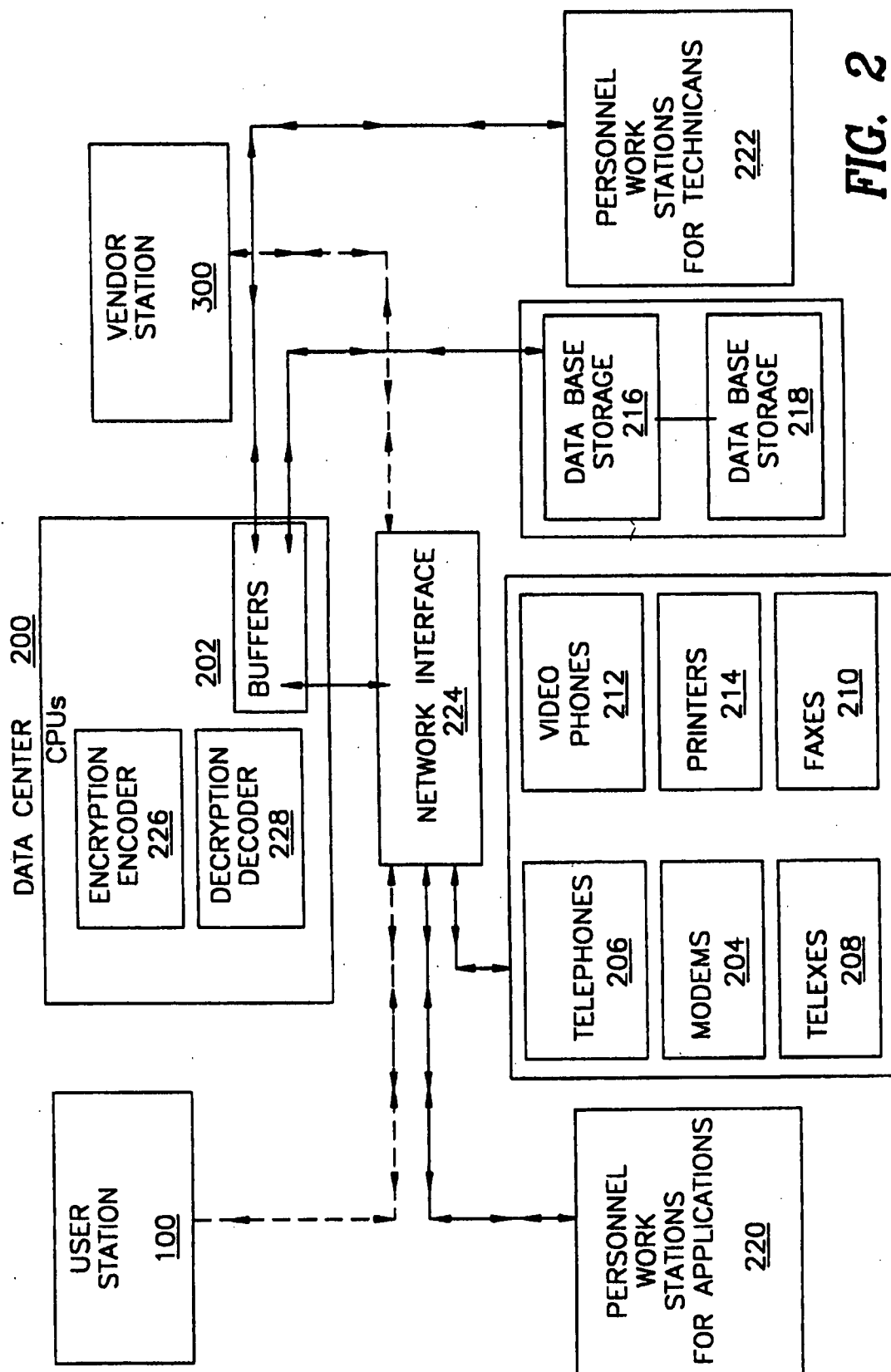


FIG. 2

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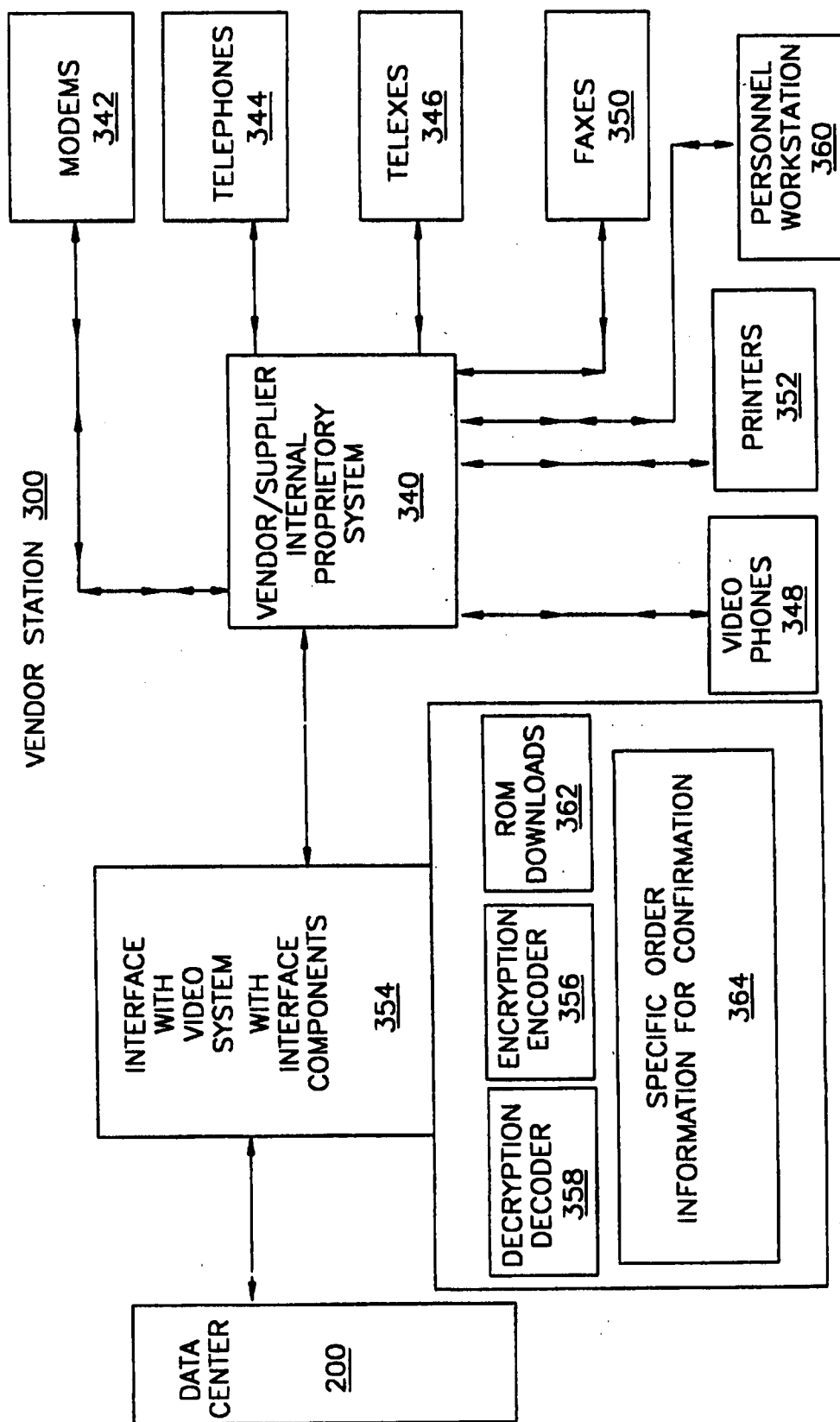


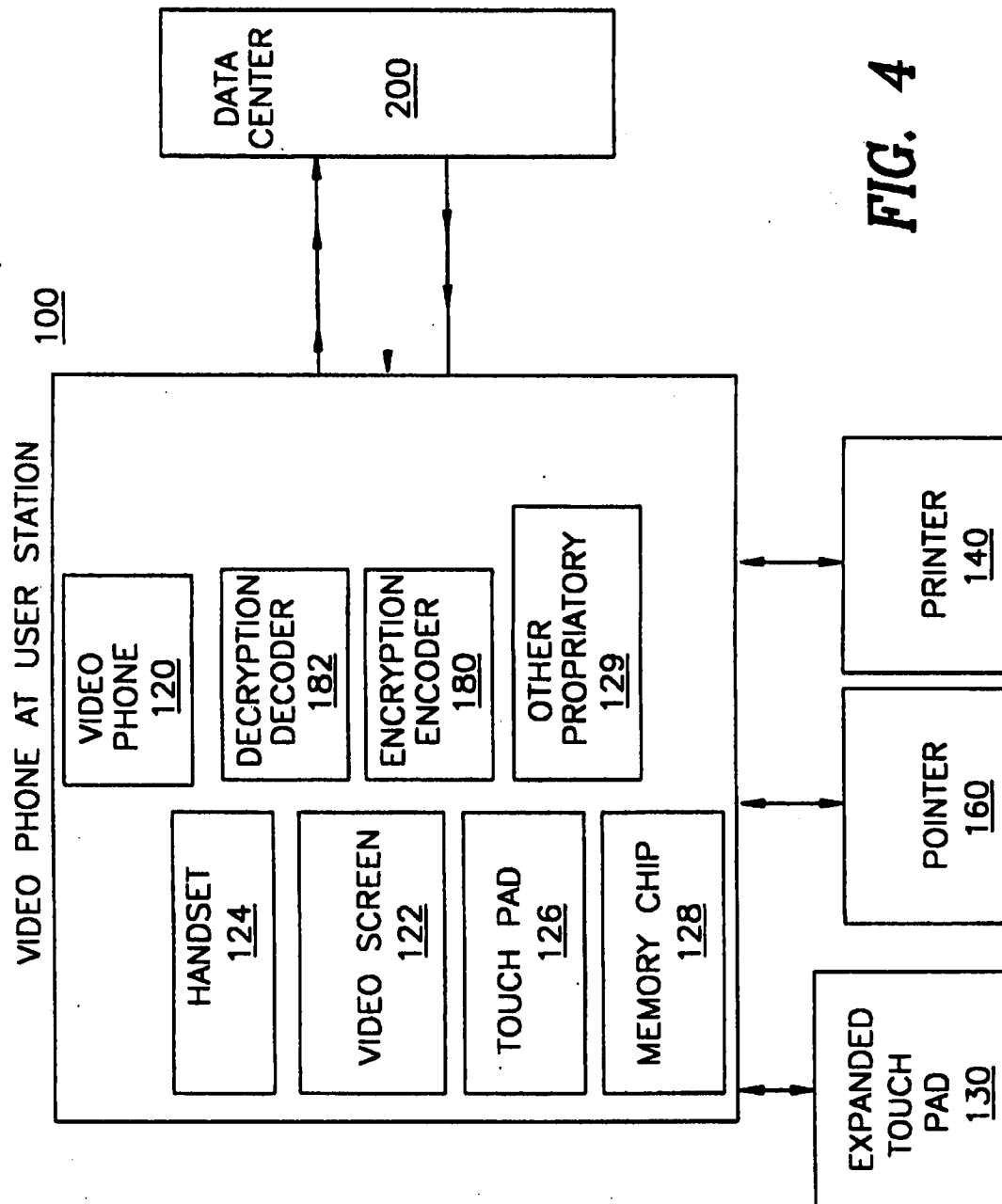
FIG. 3

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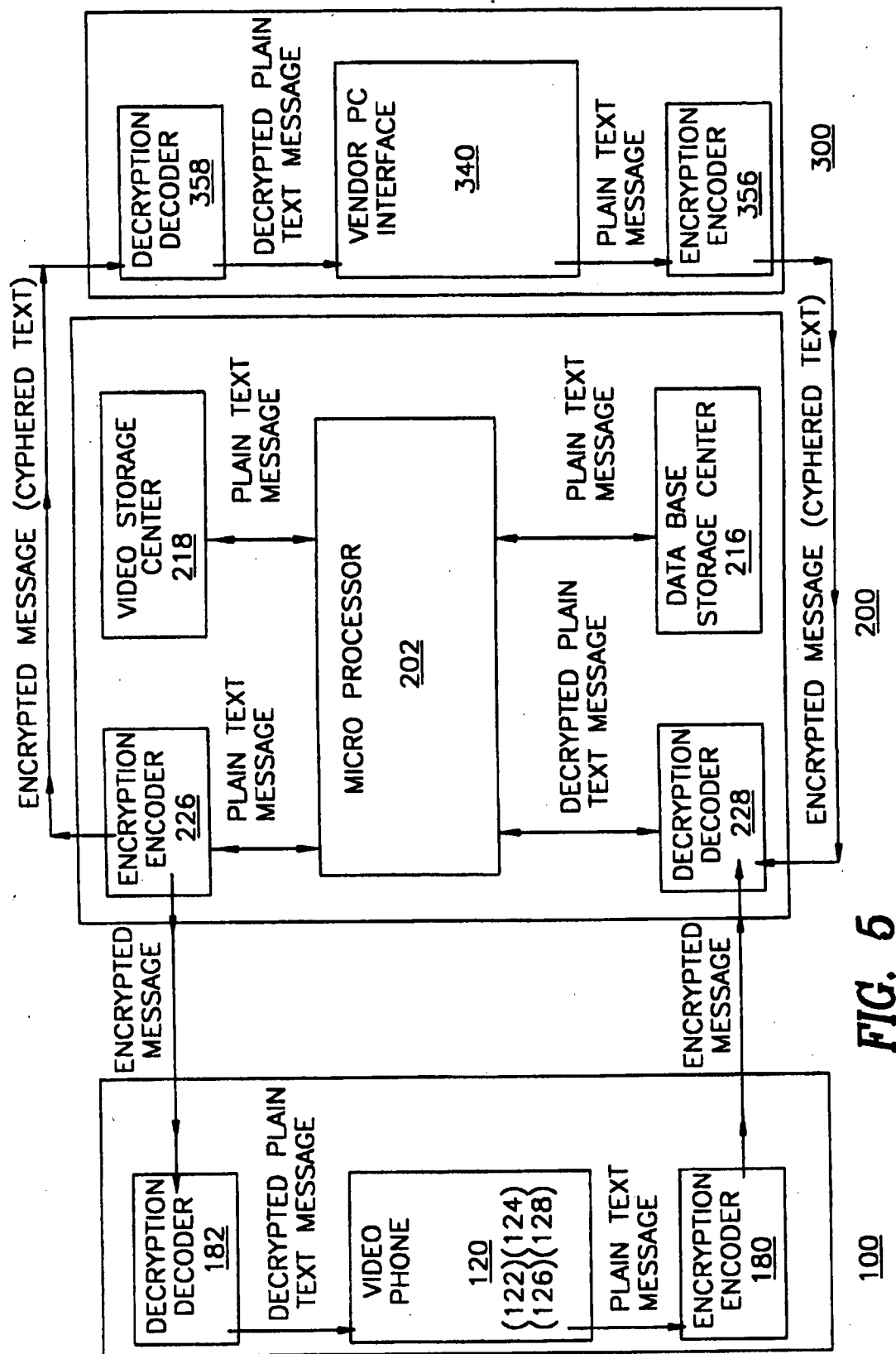


FIG. 5

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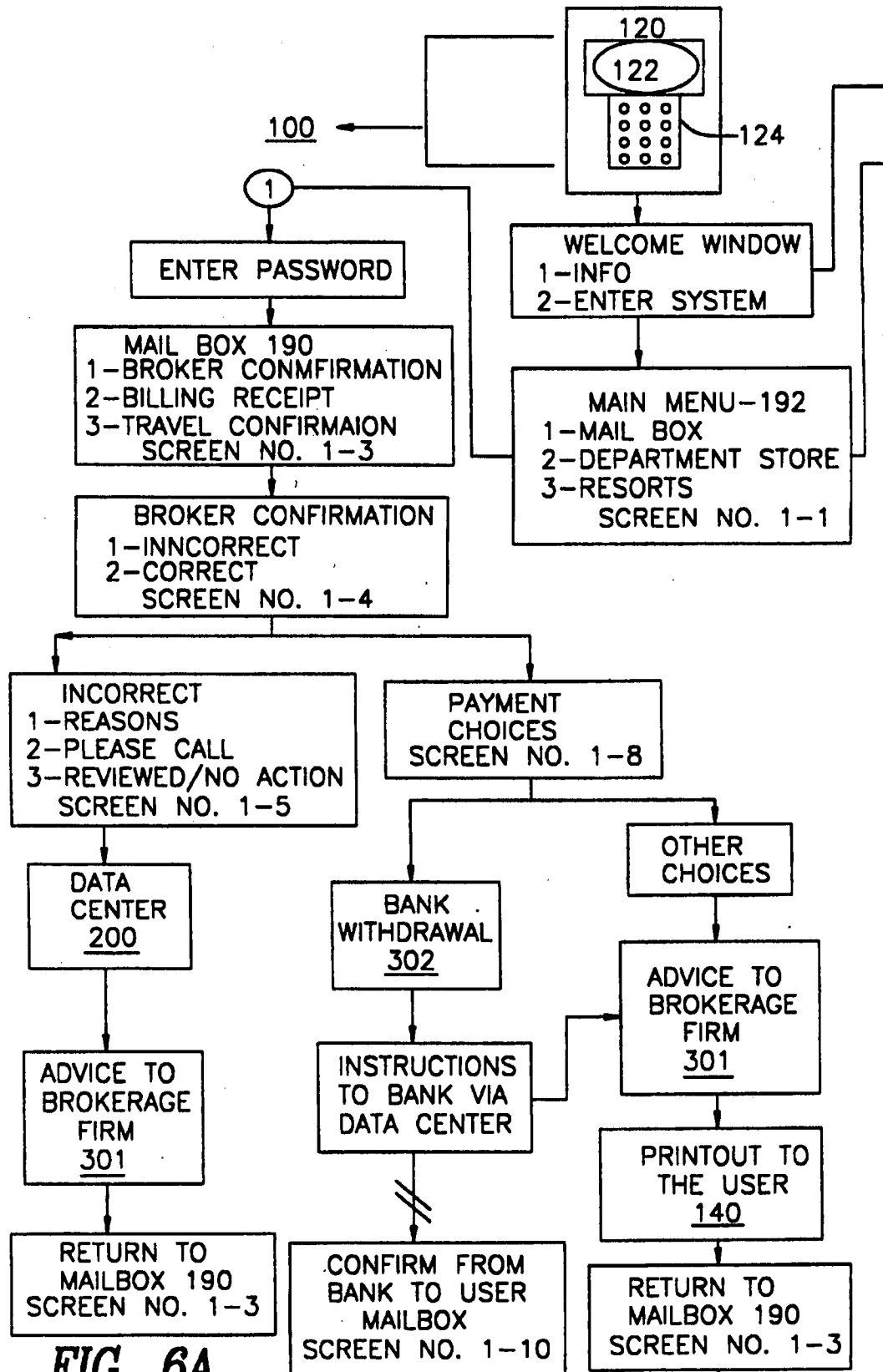


FIG. 6A

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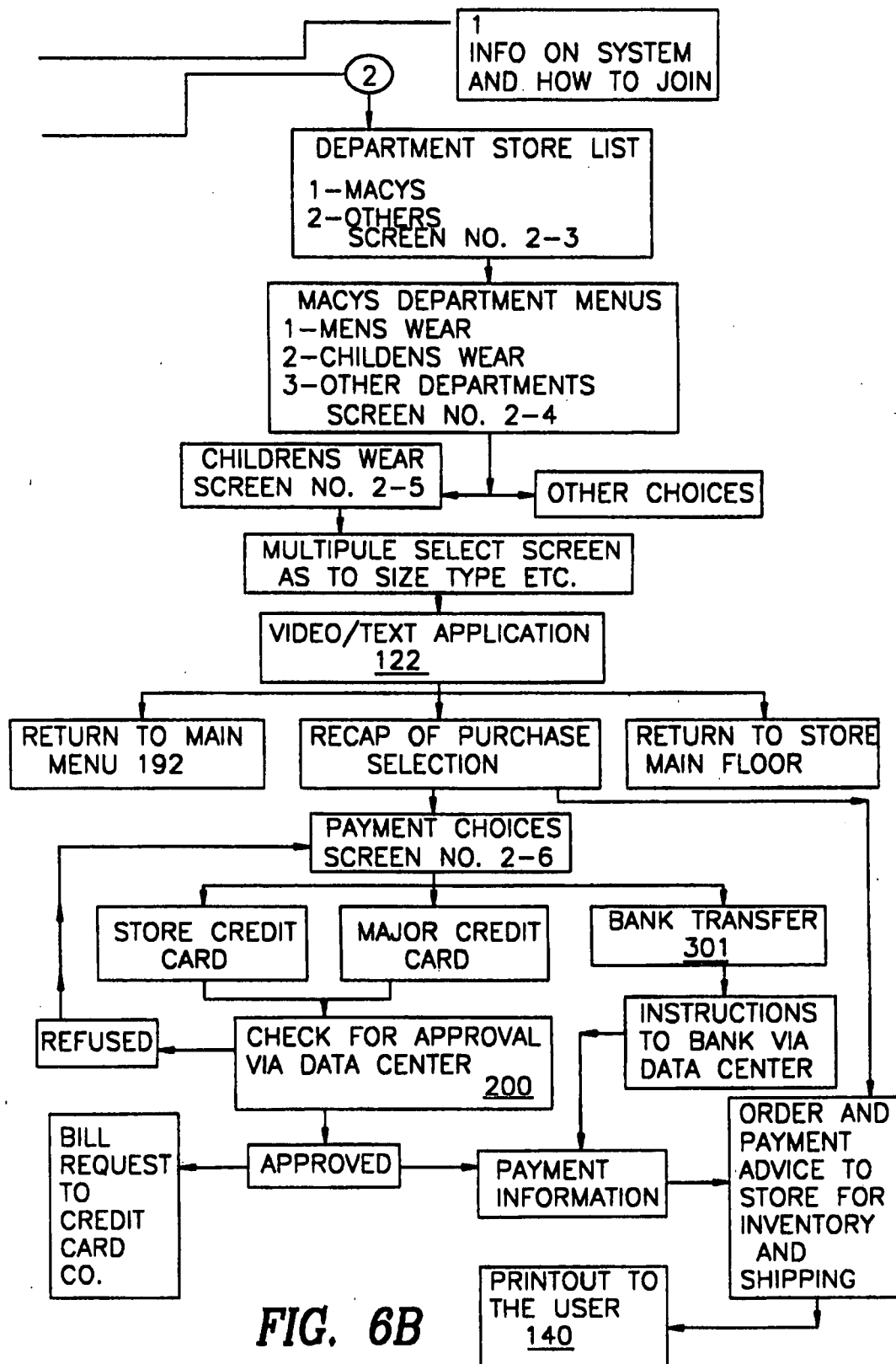


FIG. 6B

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VIDEOPHONE INTERACTIVE MAILBOX FACILITY SYSTEM AND METHOD OF PROCESSING INFORMATION

FIELD OF THE INVENTION

This invention relates to a videophone interactive mailbox facility system, wherein the system has a videophone, a printer, a computer, and a central data center for processing information from a plurality of stations for purchasers and sellers.

BACKGROUND OF THE INVENTION

At present, there are many known audio and video presentation interactive network systems where a subscriber can buy products and/or services with the aid of the subscriber's telephone and cable television system. Lists and pictures of products or services are presented on the subscriber's television screen. The subscriber then selects what he/she wishes to purchase by pressing selected keys on the subscriber's telephone.

In another type of interactive network system, the subscriber can purchase products or services with the use of the subscriber's telephone and personal computer in conjunction with an interactive cable television system that distributes information to the subscriber's television at their request. This system provides a shopping service where subscribers shop at home through an electronic mail process. This system allows subscribers to select which products and services they will view on their televisions by the use of their own telephone and/or computer.

The problems inherent with the above audio/video interactive network systems are that the subscriber's interaction with the cable television system or computer system is limited mainly to the subscriber's one-way input of data to the interactive system by phone or personal computer. These systems do not provide for an immediate confirmation of an order and do not provide proper security to the transactions carried out.

It would be highly desirable to provide an interactive mailbox facility system having built-in security safeguards, a videophone with a printer for the subscriber's use, and a central data center computer for processing and dispensing information to and from a plurality of stations for both purchasers and sellers.

DESCRIPTION OF THE PRIOR ART

Audio/video interactive network systems in conjunction with a cable television network system or centralized computer system have been disclosed in the prior art. For example, U.S. Pat. No. 4,645,873 discloses a system for allowing subscribers to make purchases and pay for them, access electronic mail, or access classified ads. Each subscriber employs a personal computer and a modem and communicates with a central computer over the telephone lines.

U.S. Pat. No. 4,734,858 discloses a system for allowing consumers to place orders using hand-held data terminals having visual displays connected by telephone lines to a processing center.

U.S. Pat. No. 4,860,123 discloses a system for buying of goods or services, where a customer employs his personal computer in combination with his phone and television to view on his television a video conveyed by the vendor,

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through a main computer network center, wherein the video shows the goods or services being offered for sale.

U.S. Pat. No. 4,943,995 discloses a telemarketing system which provides vendor information services and products in response to telephone-customer initiated inquiries. The system allows customers to use their telephones to call a data center through a voice and data-switching network and includes database systems and vendor PCs.

U.S. Pat. No. 5,311,302 discloses a video entertainment and data-management system for passengers on aircraft. The system employs the use of a video terminal having a video LCD display screen at the customer location, a video tape player, a telephone, headphones, and a digital ROM processor. The customer can select the type of service wanted by touching the touch panel on the LCD display screen for entertainment, food/drink select, on-board sales, or telephone.

U.S. Pat. No. 5,325,423 discloses an interactive multimedia communication system like a "home shopping network" that can be utilized with a telephone network, a switching network, a broadcast network, such as a satellite or cable system, for the selling of goods, audio information, such as news, weather, etc., products, services, etc., and by a subscriber or user.

None of the aforementioned patents disclose a videophone interactive mailbox facility system having security safeguards as provided for in the present invention.

Accordingly, the primary object of the present invention is to provide a videophone interactive mailbox facility system that allows the user to view products and services on a videophone that is easier and faster to use, less expensive than a personal computer, and also more user-friendly than a personal computer.

Another object of the present invention is to provide to the end users a functionality of application and equipment they desire, without undue complexity of learning to use a particular application and equipment for the network system.

Another object of the present invention is to provide various vendor applications databases and the incorporation of new vendor applications which can be continuously and easily expanded, on an ongoing basis, at the network system's data center with information supplied by the vendor.

Another object of the present invention is to provide the capability of network system expansion without adding to the network system's hardware at the data center already in place; and without any additional burden placed on the user to use or learn the network system.

Another object of the present invention is to provide a network system with security safeguards that protect against embezzlement, fraud, and theft of services for all parties involved in the network system's day-to-day transactions and operations.

Another object of the present invention is to provide a network system that has state-of-the-art security safeguards for message privacy and transaction authentication by using encryption and decryption algorithms and cipher microchips in hardware used by the vendor, the data center, and the subscriber.

A further object of the present invention is to provide for a network system that has worldwide application in all of its uses for the subscribers and the vendors.

SUMMARY OF THE INVENTION

The present invention provides a videophone interactive mailbox facility and processing method. The videophone

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mailbox is designed to be used as a storage facility for the storage of video/voice and/or video/text images. These images contain phone messages utilizing videophones or computer-generated video/voice or video/text messages.

The interactive capability is designed to facilitate the use of video/voice and/or video/text for the use of the general population to view and hear the videophone messages for purposes of general conversations, objects of art, homes, contracts, confirms, pictures of vacation resorts, pictures of general interests, and all items offered for sale through mail order and/or department stores, car dealers, real estate operations, financial institutions, video stores, airline reservations, restaurants, hotels, and all operations that are in the business of selling objects of interests or services to the private or public sector having something to sell utilizing a videophone mailbox interactive facility system.

The videophone mailbox speeds the ability of that user to respond interactively by the very nature of video images and the voice/text messages to purchase or to place a down payment for the object of interest or service that was placed in the videophone mailbox by a company for the purpose of selling their services or objects of interests and which the user thereby decided to buy based on his ability to view and/or hear the associated sales presentation on the videophone mailbox.

The process of this invention interacts with the user by providing the computer facility and design of computer programs that contain all the relevant information which was provided to a data center by the user of the videophone mailbox that will allow him to transfer funds electronically from the financial institution of his choice to the recipient of the electronic funds.

The user's PIN (private identification number) is encrypted for purposes of authentication of the user's interactive responses which will provide the safety and privacy of the user's account at the financial institution or institutions, thereby allowing the user to select one of many institutions the user deals with.

The data center archives all messages that the user generates and the data center will decide if the messages of the sender, such as confirms for affirmation by the user, and the user's responses to electronically transfer funds for immediate payment are archived for historic purposes and provide the audit trail necessary for regulatory agencies.

The data center has the programs that provides the user with the ability to affirm or disaffirm a contract and to generate an authenticated electronic funds transfer message with copies to the financial institution that effects the electronic funds transfer and the corporation or company which is to receive the electronic funds transferred.

BRIEF DESCRIPTION OF THE DRAWINGS

Further objects, features, and advantages of the present invention will become apparent upon consideration of the detailed description of the presently-preferred embodiments, when taken in conjunction with the accompanying drawings, wherein:

FIG. 1 is a schematic representation of the present invention of the videophone interactive mailbox facility system showing the three interconnected interactive systems, being the user(s) station(s); data center; and vendor station(s), which gives an overview of the system;

FIG. 2 is a schematic representation of the data center system with all major components being shown;

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FIG. 3 is a schematic representation of the vendor station with all major components being shown;

FIG. 4 is a schematic representation of the videophone system being used at the user station with all major components being shown;

FIG. 5 is a schematic representation of the general information flow showing the encryption and decryption of text at each station; and

FIG. 6 is a flow chart for two transaction examples.

DETAILED DESCRIPTION OF THE PREFERRED INVENTION

The videophone interactive mailbox facility system 10 and the component parts of the present invention are represented in FIGS. 1 to 4. As shown in FIG. 1, the videophone system 10 comprises a plurality of user stations 100, a central data center 200, and a plurality of vendor stations 300.

Each user station 100, as depicted in FIG. 4, includes a videophone 120 having a video screen 122, a handset 124, pushbuttons 126 for dialing, a memory chip 128, and a telephone line. Connected to the videophone 120 is a printer 140 for printing hard copies of transactions or receipts for products and services, a screen pointer 160 for transactions on videoseen 122, and an encryption encoder microchip 180 and decoder 182 for message privacy and transaction authentication.

As shown in detail in FIG. 2, the data center 200 includes a mainframe computer microprocessor 202 electronically connected to conventional or state-of-the-art modems 204, telephones 206, telexes 208, faxes 210, videophones 212, and printers 214 for communication with the users at the user stations 100, and vendors at the vendor stations 300 via the mainframe microprocessor 202. Also connected to the mainframe microprocessor 202 are a plurality of personnel workstations 220 and 222.

Personnel work stations 220 interface with the various vendor stations 300 to input to microprocessor 202 the vendor data and other information for a particular vendor matter. The other personnel work stations 222 interface with the staff of data center 200 in the handling of technical hardware problems and writing and formatting of software applications for the microprocessor 202.

In addition, microprocessor 202 is electronically connected to a database storage center 216 having all of the file information for the various vendors and user subscribers of videophone system 10. Also, electronically connected to microprocessor 202 is a video storage center 218 having all of the video film/video text that is supplied by the various vendor stations 300 using the videophone system 10. The videophones 212 used at the data center 200 are able to review all incoming video film and/or text from the various vendor stations 300.

Other related components connected to microprocessor 202 are a network interface 224 for making compatible the various vendor hardware and software systems with microprocessor 202. In addition, there are encryption/decryption microchips 226 and 228 electronically connected to the microprocessor 202 for continuing security safeguards for message privacy and transaction authentication between user stations 100, the data center 200, and the vendor stations 300.

As shown in FIGS. 2 and 3, the videophone mailbox facility system 10 has various vendor stations 300, such as a bank firm 302, a department store 303, and a travel service

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agency 304. Other vendor stations not shown in this embodiment can be included, such as healthcare institutions, food markets, sport/entertainment activities, insurance offerings, and the offering for sale of virtually any product or service. Each vendor station 300 has included in it one or more PCs 340 electronically connected to conventional or state-of-the-art modems 342, telephones 344, telexes 346, videophones 348, faxes 350, printers 352, interfaces 354 for connecting the vendor system to the data center 200, and encryption encoders/decoders 356 and 358. The PCs 340 are also connected to one or more personnel work stations 360 having vendor staff which performs the entering of data and information files to the vendor system 300 and which conveys those files, information, and data to the data center 200 via a ROM downloading system 362.

OVERVIEW OF THE OPERATION FOR THE PRESENT INVENTION

The present invention has many practical uses and applications, such that the user of a videophone interactive mailbox facility 10 can interact with financial institutions, including brokerage firms, banks, and lending institutions; with commercial companies, such as department stores, mail order firms, travel agencies, food market chains, etc.; and with healthcare institutions, such as hospitals, healthcare clinics, nursing homes, etc.

Accordingly, the primary innovative feature of the present invention is that it provides for a videophone interactive mailbox facility system that allows the user to view products and services; review letters, bills, and payments for services/products which can be viewed on the videophone screen, such that the user can review the pertinent information and immediately decide if it is correct and then transmit the appropriate letter, bill, and/or payment for services or products.

Another feature of the present invention is that it provides for an internationally secure network for investment with banking firms using the videophone system. It uses all internationally-accepted standards that are commonly practiced accepted around the world, such that the equipment utilization has a proven record of international viability in terms of security safeguards, reliability, certification, and consumer acceptance.

EXAMPLE NO. 1 FINANCIAL INSTITUTIONS

The following is an example of how the system of the present invention is applied to a financial transaction involving the purchase and sale of shares of stock between a user and a brokerage firm, with a payment through a bank or other payor. The user would initially enter the system 10 by the expanded touch pad 130 which activates the system to a main menu, as shown by Screen Nos. 1-1 and 1-2. The user would depress the 01 key to get into the videophone interactive mailbox. The following (Screen No. 1-3) is the next display that would appear on the user's videophone screen. The user is supplied information in the form of video messages by a sequence number, date, time, message-type, and note.

SCREEN NO. 1 - 1

Index page 1 of 2

Welcome To Main Menu
Select choice of interest by entering the number followed by the
"01"
01 Videophone Interactive Mailbox
02 Department Stores

6

-continued

SCREEN NO. 1 - 1

03 Resorts
04 Real Estate
05 Jewelry Stores
06 Catalogues
07 Phone number directories
08 Computer Supplies
09 Airline Schedules and Reservations
10 Restaurants and/or Reservations
Enter Number ____
Depress * to Enter Go to Next Page - Press ***

SCREEN NO. 1 - 2

Index page 2 Of 2

Welcome To Main Menu
11 Restaurant Delivery Services
12 Hotels/Motels Cities and Reservations
13 Theater schedules and ticket information
14 Supermarket Shopping
15 Overnight Pickup/Delivery Services
16 Automobile Repair Services
17 Music Instruments Purchase/Rentals
18 Power Tool Rentals
19 Ice Rinks, Schedules, Supplies
20 Taxi and Limousine Services
Enter Number ____
Depress * to Enter. Go to previous menu enter #

SCREEN NO. 1 - 3

VIDEOPHONE MAILBOX INTERACTIVE FACILITY

Welcome Mr. Smith:
Select item by pressing the appropriate number keys followed by *
01. ☐ 01/04/95 1:35 pm Broker Confirmation
02. ☐ 01/04/95 1:49 pm Broker Confirmation
03. ☐ 01/04/95 2:55 pm Financial Report
04. ☐ 01/04/95 2:59 pm Financial Report
05. ☐ 01/04/95 3:00 pm Account Status Report
To Open Message Enter 2 Digit Number
Depress *, to Select
To View Additional Messages On The Next Page Press The '#' Key
To View Previous Screen Press The Zero '0' Than '#' Keys
or ### to return Main Menu

Requested
01/12/95
Requested
01/12/95
Requested
01/12/95

The menu on the above display (Screen No. 1-3) is presented to the user after the user utilizes the videophone and dials the phone number assigned to him. To access the videophone interactive mailbox facility, he must enter his PIN number and key authentication.

The number of messages and message type/types could exceed the one screen display. As described in the screen display, the user will have the ability to scroll the following screens to view all the messages he has received. This will allow him to select the message type he wishes to view in the sequence of his choice.

The numeric keys representing the message sequence number plus the month, day, year (010495) followed by the asterisk(*) will execute his request.

The scroll facility will allow him to scroll forward and backwards. The zero(0) and pound(#) keys will allow him to scroll backwards. The pound(#) key will allow him to scroll forward.

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After he views his messages, the screen with the original menu will display the disposition of the message type. The profile on the system will provide the automatic archive of the message as provided by the company who has contracted with the data center when the customer's profile is initially generated.

Upon entering his selection, the image is displayed. The image displayed could also contain computer-generated speech or speech spoken by a person generated when the image was captured. The customer will make that determination based on their needs.

The next step is the trade confirmation, which is represented in the display of Screen No. 1-4, as shown below. The client requested message number 01 010495, which is a broker confirmation. The confirm image is displayed on the videophone for the client to review. The client is requested to press keys 1* or if incorrect 9*.

SCREEN NO. 1 - 4

MSG 01. □ 01/04/95 1:35 pm BROKER CONFIRMATION
Trade Ref: 012657004 Best Broker & Co. Incorporated
Exec Broker 0161 Contra Broker 0050
Action: BUY Unsolicited Amount: 100 Shares Price: 68 1/4
Security International Business Machines CUSIP No.: 135698-10-1

Additional descriptive information as required by law
Account/Type: Margin - 003-123456-1 Trade Date: 01/04/95 Settle Date: 01/11/95

Account Info:	Trade Information	
Mr. John Smith	Commission	25.00
12 Gold Street Drive	Principal Amt	6,812.50
Dix Hills, New York 11746	Net Amount	\$6,837.50
If Correct Press 1*	Enter '#' To Scroll Forward.	
If Incorrect Press 9*	Enter '0#' To Scroll To Previous Screen.	

*Note If You Do Not Respond A Message To The Institution Is Generated advising That You Have Reviewed This Confirm And No Additional Action Was Taken

If 1* is the response, the next screen displayed (see Screen No. 1-5) is a screen format that will request the transfer of electronic same-day funds from the user's account to the brokers on or before the settlement date.

SCREEN NO. 1 - 5

MSG 01. □ 01/04/95 1:35 pm Broker Confirmation
REPLY: CONFIRMATION INCORRECT Trade Reference: 012657004

Dear Mr. Smith.
Please read the following for your response of CONFIRM INCORRECT.

You have responded with a 9*. This means some part of the trade described for the above referenced transaction is incorrect and not acceptable to you.

On the following pages we have tried to provide all possible reasons why a trade is not accurate. Please depress the two number keys that places an asterisk next to the corresponding error description.

You may enter as many two digit codes for multiple errors as you wish.

If the reason is not on the following screens please request a broker representative to contact you (key 24 or 25) to help resolve the error.

This message will reach the firm that handled your order as soon as your reply is completed.

Press '#' to see next screen

Press 0# to view only the previous screen

Press '#'* to return to confirm screen to change trade reply to CORRECT

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If the response is 9*, the next screen displayed (see Screen No. 1-6) is a request to the user to enter an asterisk next to the possible reasons by depressing the two keys for the numbers listed for as many times that the user finds to having multiple errors, so that a reply to the broker will enable the broker to cancel and correct or just cancel, based on the user's response, enabling the financial institution to address and correct all the errors, so that a minimum amount of time passes for a corrected order to reach the user, further reducing the financial institution's exposure.

The word "user" includes any one individual, any number of individuals, and any company (other financial institutions, trust companies, investment advisors, custodians, etc.).

SCREEN NO. 1 - 6

VMIF

Incorrect Reply - 2

MSG 01. □ 01/04/95 1:35 pm Broker Confirmation
REPLY: CONFIRMATION INCORRECT Trade Reference: 012657004
The Following Reason Or Reasons The Confirm Is Incorrect.
Enter keys ____
01 Price
02 Quantity
03 Security
04 Trailer Information
05 Trade Date
06 Settlement Date
07 You Did Not Order Any Trade
08 Your Name And/Or Address Is Incorrect
09 Currency
10 You Ordered A Sale
11 You Ordered A Buy
12 You Ordered A Short Sale
Press '#' To See Next Screen - CONTINUE
Press 0# To See Previous Screen
Press '#'* To Return To Confirm Screen To Change Trade Reply To CORRECT

The next screen displayed (see Screen No. 1-7) is the broker confirmation "Page 2" of the transaction that has just occurred, which is a continuation forward scrolling of the previous screen display (Screen No. 1-6).

SCREEN NO. 1 - 7

VMIF

Incorrect Reply - 3

MSG 01. 01/04/95 1:35 pm Broker Confirmation
REPLY: CONFIRMATION INCORRECT Trade Reference: 012657004
The Following Reason Or Reasons The Confirm Is Incorrect.
(Continued)
13 Account Number
14 Incorrect Registered Rep
15 Incorrect Type Of Account
16 Should Be A Margin Type
17 Should Be A Cash Type Account
18 Should Be A COD Type Account
19 Incorrect Commission
20 Incorrect Interest Amount
21 Net Amount Is Incorrect
22 Other Money Field
23 Depress Keys That Match Money Amount \$____
24 You Are Not Sure. You Request Your Representative To Call.
25 Trade Incorrect But Reason Is Non Of The Above.
Enter ** if all reasons are entered.
Enter your PIN number ____ Press **
Return to Main Menu by Depressing #
Press 0# To See Previous Screen
Press '#'* To Return To Confirm Screen To Change Trade Reply To CORRECT

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The next step of the stock transaction is the payment for the stock by an electronic funds transfer by a bank. The following screen displays (see Screen Nos. 1-8 and 1-9) show the cash movement transaction.

SCREEN NO. 1 - 8

VMIF
Correct Reply - 1

ELECTRONIC FUNDS TRANSFER
FOR REFERENCE NUMBER 012657004
Cash Movement Transaction
Input Date: MM/DD/YY Settlement Date: 01/11/95
Type: Please remit
Chose source of payment:
01 For Bank Of New York
02 For Chemical Bank
03 For Bank Of Montreal
04 Cash On Account At Best & Company
05 Sell Money Market
These Sources Are Listed On Your Profile.
Please Select One By Entering The Number To The Left Of The Bank Name.
You Selected 01 Bank Of New York
If Correct Enter a '5'
If Not Correct Enter a '*' And Retry Your Response.
Account Number 630033587 (Generated By Data Center From Client Profile)

SCREEN NO. 1 - 9

VMIF
Correct Reply - 2

CONTINUED
ELECTRONICS FUNDS TRANSFER
FOR REFERENCE NUMBER 012657004
Funds are denominated in the following currencies.
01 for USD 04 for Yen 03 for LBS
02 for FF 05 for DM
Enter Choice of Currency followed by **
Now enter the amount to be transferred
Enter Whole number denomination followed by **
Enter fractional (cents) denomination followed by **
You have entered: Country/Currency USA Dollars
Amount to be transferred: USD 6,837 Decimal 50
Enter your PIN number _ and **
To: Bank of New York For Account Number: 6300115889
Pay To: Best Brokerage Co. Incorporated
For account: 003-123456-1
Comment: Trade purchased on 01/04/95
IF CORRECT ENTER 8*. IF INCORRECT ENTER *** TO
RETRY ENTERING
Cash Movement Transaction number NYMS1689331.
COMPLETED/////

Return to Main Menu by Depressing ##
Press 0# To See Previous Screen

SCREEN NO. 1 - 10

ELECTRONIC FUNDS TRANSFER
FOR REFERENCE NUMBER 012657004
Cash Movement Transaction Receipt
Date 01/04/95 Time 10:14:01 PM
To: Bank of New York For Account Number: 6300115889
Input Date: 01/04/95 Settlement Date: 011195
Remit To: Best Brokerage Co. Incorporated
For account: 003-123456-1
Amount: USD \$6,837.50
Comment: Trade purchased on 01/04/95
Cash Movement Transaction number NYMS1689331.
COMPLETED/////

The transaction entry for cash movement generates at least two electronic messages. One to the bank via the data center's videophone interactive mailbox facility and one to

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the recipient of the funds based on the user's instruction profile.

Additional interested parties may be on the user's profile to facilitate messages the user wishes to address, such as an investment advisor or tax accountant or partner, etc.

The messages will be addressed to the recipients by way of the 'VIMF' video interactive mailbox facility if they are on the customer list or via the user's profile entering their fax numbers (primary and alternate) or telex (primary or alternate).

The messages themselves will carry the last sequence number that the data center stores and transmits back to the user increased by one at the start of the session when the user opens the videophone mailbox. The data center facility authenticates the videophone logged into the service for a valid electronic serial number, which is encrypted and placed into the videophone by the data center.

This encrypted electronic serial number designates the decryption routine associated for that particular phone. Each videophone message is encrypted, and the decryption routine works with additional fields to conclude and identify which routines are to be used and thereby verifies that the videophone is not a counterfeit. Only the data center will have a copy of the decryption routines housed at the data center files, which enhances the authentication process.

A small dot matrix or laser printer will be built into the videophone, so that a copy of the transactions received and sent can be retained as further proof. Transaction numbers, dates, and reference numbers can be used to review the archived messages.

The present invention defines a videophone to be any device having the capabilities to receive video/voice and/or video/text as its primary function and which, in the future, may have additional capabilities added to it that will enable it to perform functions that a PC computer performs today. Further, a videophone is defined to include cellular videophones or wireless videophones or all videophones integrated with additional PC technologies and similar capabilities (disk storage, CDs, diskettes, and memory in the megabyte range and up and/or keyboards). Any videophone that receives any kind of electronic video/voice and/or video/text or any form of video for viewing by the client and is stored on a computer facility which generates any form of video and in which the party on the videophone is not utilizing his videophone to converse and see the other calling party or parties he called in real time (both sides physically there) is also defined to be a videophone of the present invention.

Credit cards will also be a part of the payment system for purchases by the user, which will depend on the retailer or wholesaler offering that service.

In the present invention, there is an enhancement to the videophone by having a separate screen attached by a cable or wireless (FM, infrared beam, etc.), with the phone having the capability to handle two lines or more in the future to receive a video movie on that separate line or the primary line for movies on request for viewing on the videophone.

This will allow the user to request stock reports from companies of his choice to be viewed at his leisure and review his holdings and cash balances at any financial institution.

The videophone user can generate an electronic order to purchase securities and addressed to the recipient of his choice which the recipient will receive via the mailbox at the data center.

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EXAMPLE NO. 2 DEPARTMENT STORES

The following is an example of how the system of the present invention is applied to a department store transaction involving the purchase and sale of a girl's dress between a user, and a department store with payment through a credit card firm, or bank transfer or other method.

SCREEN NO. 2 - 1

Index page 1 of 2

Welcome To Main Menu
Select choice of interest by entering the number followed by the
"00"
01 Videophone Interactive Mailbox
02 Department Stores
03 Resorts
04 Real Estate
05 Jewelry Stores
06 Catalogues
07 Phone number directories
08 Computer Supplies
09 Airline Schedules and Reservations
10 Restaurants and/or Reservations
Enter Number ____
Depress * to Enter Go to Next Page - Press ***

SCREEN NO. 2 - 2

Index page 2 Of 2

Welcome To Main Menu
11 Restaurant Delivery Services
12 Hotels/Motels Cities and Reservations
13 Theater schedules and ticket information
14 Supermarket Shopping
15 Overnight Pickup/Delivery Services
16 Automobile Repair Services
17 Music Instruments Purchase/Rentals
18 Power Tool Rentals
19 Ice Rinks, Schedules, Supplies
20 Taxi and Limousine Services
Enter Number ____
Depress * to Enter. Go to previous menu enter #

The data center's main menu will always be displayed once the user enters a double pound(##) sign. This will invoke a fast call to the data center's services directory programmed on a ROM chip installed on the user's videophone. The main menu is updated and reflects all services available currently. As more services become available, they are added immediately to the main menu software along with the affiliated menu offering with the video/voice/text supplied to the data center by the vendors, such as retailers/wholesalers.

The section is clear and simple and uses the combination of an asterisk(*) to enter the selection and three asterisks(***) to scroll forward. It uses the pound key(#) to scroll backward.

Once the selection is made, the data center flashes a menu selected by the user, as shown by Screen Nos. 2-1 and 2-2. In this representation, the selection was 02, which reflects the user's request for a list of department stores.

The menu will present a screen with all of the department stores whose services have been added to the data center's system. The Screen No. 2-3 reflects all the department stores who are part of the data center service. The user only enters the department store he wishes, and the subsequent menu, as shown by Screen Nos. 2-4 and 2-5, will be the department store menu categorized by the department, which, in turn, will allow the user to select the subject of interest. The user's selection will invoke a video/voice/text session, so that the

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user will see the visual items, as well as a description of the item as to the materials used and can also exhibit the item by displaying a model of the displayed item in a setting if the item is furniture, tablecloth, etc., or if clothes, a boy/girl or woman/man/teenager modeling the item selected, as this enhances sales. In a department store setting, this would be prohibitively expensive. Each item would be modeled and in actuality reproduced as many times as the item is called up by the user he wishes to view.

The videos are prepared ahead of time and updated as new inventory is added. The videos would be filed in the Macy mailbox facility and will be available concurrently by as many users as necessary. This is accomplished by the data center's multiple sessions' capability of hardware and software.

Once a selection is made by the user, the screen appears, as shown by Screen No. 2-6, for payment of the item by credit card information or the funds transfer system offers that will carry the bank of his choice. If the user is in the Macy department store screen at the time he selects the payment method of his choice, the data center's system carries the Macy's bank/lockbox id for the payment transfers destination.

The payment menu is the same as the one exhibited for broker stock purchase payments. If a credit card is selected, the item number, date, and phone encryption id is validated when the user enters his information by the screen utilized for credit card payments.

As the payment Screen No. 2-6 depicts the item number selected and the size and color plus the amount plus tax, all payment options including the credit cards that the department store utilizes will be displayed. For a credit card transaction, for example, the customer enters his number and expiration date plus PIN number, where required. This is checked immediately against credit card companies for affirmation. Once approved, the information is recorded on the user's profile for his personal retrieval, and a hard copy is produced like at a point of sale terminal at stores.

SCREEN NO. 2 - 3

Welcome to Department Stores On-Line
01 Macy's FLASH ** 25% Discount Day on Selected Items**
02 Sak's
03 Bloomingdales
04 Lord & Taylors
05 Neiman Marcus
06 Nordstroms
07 JC Penny
08 Sears
09 Burdines
10 Bergdorff Goodman
11 Henri Bendels
Enter Number ____
Enter * to Select To return to Main Menu Depress #

SCREEN NO. 2 - 4

Department Stores On-Line

MACY'S DEPARTMENT STORE

MAIN MENU

Select choice of interest by entering the number followed by the
"00"

01 Mens Clothing
02 Womens Clothing
03 White Sale
04 Perfumes
05 Jewelry

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-continued

SCREEN NO. 2 - 4

06 Furniture
 07 Electronics Equipment (Audio/Video/Games/Cameras)
 08 Hardware Department
 09 Dishes, Glasses, Pots/Pans, Utensils
 10 Kitchen Supplies Electronic
 11 Curtains, Table Linens, Rugs
 12 Other
 13 Credit Card Applications
 Enter Number _
 Enter * to Select To Scroll Backwards Depress ##
 or ### for Main Menu

SCREEN NO. 2 - 5

Department Stores On-Line

MACY'S DEPARTMENT STORE
 CHILDREN'S CLOTHING DEPARTMENT
 Select choice of interest by entering the number followed by the
 "q"
 01 Shirts
 02 Boys/Girls Pants
 03 Boys/Girls Shoes
 04 Boys/Girls Sport Clothes
 05 Boys/Girls Coats
 06 Boys/Girls Undergarments
 07 Boys/Girls Suits
 08 Ties
 09 Boys/Girls Dress Sport Coats
 10 School Supplies
 11 Toys, Electronic etc.
 12 Dresses
 13 Boys/Girls Misc. (sweaters, pullovers etc.)
 Enter number _
 Depress * to Select Enter # to scroll forward
 or ### to return Main Menu

SCREEN NO. 2 - 6

Department Stores On-Line

MACY'S DEPARTMENT STORE
 PAYMENT SYSTEM
 You have selected item G1356 Girls dress Size 6 Color GREEN
 Original purchase price \$15.00 less 15% discount.
 Total amount Due plus tax is AMOUNT \$ (will be displayed)
 Credit cards
 01 Macy's
 02 VISA
 03 American express
 04 Diners Club
 05 Master Card
 Enter number for selection _ (Press when Done)
 Enter credit card number _ (Press * when Done)
 Enter expiration Date _ (Press * when Done)
 Enter Pin Number _ (May not be necessary) (Press * when
 Done)

EXAMPLE NO. 3 RESORTS TRAVEL SERVICES

The following is an example of how the system of the
 present invention is applied to a resort travel service trans-
 action involving the user choosing a resort with regard to
 place of stay, hotel selection, room selection, reservation
 placement, and payment form for the completion of the
 transaction with the vendor resort.

The data center's main menu will always be displayed
 once the user enters a double pound(##) sign, as previously
 described. This will invoke a fast call to the data center's
 services directory programmed on a ROM chip installed on
 the data center's videophone.

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The main menu is updated and reflects all services cur-
 rently available. As more services become available, they
 are added immediately to the main menu software along
 with the affiliated menu offering with the video/voice/text
 supplied to the data center by the vendor resort offering their
 services.

The selection is clear and simple and uses the combina-
 tion of an asterisk(*) to enter the selection and a triple
 asterisk(***) to scroll forward. It uses the pound(#) key to
 scroll backward. Once the selection is made, the data center
 flashes a menu selected by the user.

In this representation, the selection was 03, which reflects
 the user request for a list of resort travel services for the
 world, as shown by Screen Nos 3-1 and 3-2.

SCREEN NO. 3 - 1

Index page 1 of 2

Welcome To Main Menu
 20 Select choice of interest by entering the number followed by the
 "q"
 01 Videophone Interactive Mailbox
 02 Department Stores
 03 Resorts
 04 Real Estate
 25 05 Jewelry Stores
 06 Catalogues
 07 Phone number directories
 08 Computer Supplies
 09 Airline Schedules and Reservations
 10 Restaurants and/or Reservations
 30 Enter Number _
 Depress * to Enter Go to Next Page - Press ***

SCREEN NO. 3 - 2

Index page 2 Of 2

Welcome To Main Menu
 11 Restaurant Delivery Services
 12 Hotels/Motels Cities and Reservations
 13 Theater schedules and ticket information
 14 Supermarket Shopping
 15 Overnight Pickup/Delivery Services
 16 Automobile Repair Services
 17 Music Instruments Purchase/Rentals
 18 Power Tool Rentals
 19 Ice Rinks, Schedules, Supplies
 20 Taxi and Limousine Services
 45 Enter Number _
 Depress * to Enter. Go to previous menu enter #

The RSRT1 is evoked when the selection 03 (resorts) is
 depressed at the user videophone mailbox. The separate
 regions narrow the search for the vacationer to minimize
 search time and maximize resort review time, shown on
 screen No. 3-3 and 08* is entered, showing Screen No. 3-4.
 After reviewing Screen No. 3-4, giving a list of the Hawaiian
 Islands, the user then picks Maui and enters 03*, which then
 shows Screen No. 3-5, giving a listing of the vendor resorts
 located on the Island of Maui. The user then picks the Maui
 Royal Hilton and enters 01*, which then shows Screen No.
 3-6, giving the user a full description of the resort and its
 facilities, along with daily room rates.

Entry of an asterisk(*) produces a video show of the
 rooms, views, and any other points of interest, as produced
 by the resort, with the return to Screen No. 3-6 at the end of
 the video for the next step instruction.

If the user wishes to make a reservation at this resort,
 he/she would press 01**, and Screen No. 3-7 would appear
 for the reservation fulfillment process, as shown on Screen
 No. 3-7.

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SCREEN NO. 3 - 3

RSRT1

Welcome to Resorts of the World

- 1 USA-Northeast
- 2 USA-SouthEast
- 3 USA-NorthWest
- 4 USA-SouthWest
- 5 USA-MidWest
- 6 USA-Panhandle
- 7 USA-Puerto Rico
- 8 USA-Hawaii
- 9 USA-Virgin Islands
- 10 USA-Alaska
- 11 Great Britain
- 12 France
- 13 Germany
- 14 Australia

Enter Number _ To return to Main Menu Depress #

Depress * to Enter

SCREEN NO. 3 - 4

RSRT 08
USA Hawaii

GENERAL AREAS

- 01 Honolulu
- 02 Maui
- 03 Kwaï
- 04 Big Island
- 05

Go to Next Page - Press ***

SELECT

Enter Number _ Go to previous menu enter #

Depress * to Enter Go to Main Menu enter ####

SCREEN NO 3 - 5

RSRTLOC MAUI
MAUI Resorts

HOTELS AND RESORTS

- 01 Maui Royal Hilton
- 02 Maui Concord
- 03 Seaside Hotel Royal
- 04 Maui Grande Duchesse

Go to Next Page - Press ***

SELECT

Enter Number _ Go to previous menu enter #

Depress * to Enter Go to Main Menu enter ####

SCREEN NO 3 - 6

RSRTLOC MAUI RH
Maui Royal Hilton

DESCRIPTION

This Hotel is rated four stars by all the major traveling services. Hotel is situated on the water with elegant services which include seaside tents. All types of recreational equipment connecting canals and water slides. The recreational pool has volley ball, water weights and floats available. Food and bar service covers entire poolside and seaside area. Tents available poolside. Eight restaurants offering different cuisines for all palates. Daycare is available with exciting daily programs.

Rooms are very elegant with two size types. All rooms face the ocean with very large elegant bath and shower.

Daily Room Rates

\$375.00

\$475.00

To make reservations press _

Depress * for view of rooms and ocean exposure

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-continued

SCREEN NO 3 - 6

Depress 9 to return to main Hawaii menu

Depress 5 to return to main menu

Go to previous menu enter #

SCREEN NO. 3 - 7

RSRTLOC MAUI
Maui Royal Hilton

RESERVATION PAGE

Enter the date of arrival. Example 0108 ENTER _

Enter the date of departure. Example 0117 ENTER _

15 Type of Room Requested

Number of adults

Number of Children

Special rate card

Any other information requested by the resort in an entry format compatible with the system

20 SELECT

Once all selections are made Go to previous menu enter #

Depress * to Enter and Go to Main Menu enter ####

go to payment screen

OPTION TO GO TO VOICE RESERVATION ON LINE OR

PLACE RESERVATION ON THE RESERVATION PAGE

Once a selection is made by the user, Screen No. 3-8 appears for payment by credit card information or the funds transfer system that the data center offers that will carry the bank of his choice. Once the user selects the payment method of his choice, the data center system carries the bank/lockbox id for the payment transfers destination.

The payment menu is the same as the one exhibited for the broker stock purchase payments. If a credit card is selected, the item number date phone encryption id is validated when the user enters his information by the screen utilized for credit card payments.

As the payment screen depicts the desired choice of resort, room options and all other options are selected. The reservation request would be routed to the hotel for affirmation. If the reservation is affirmed, the payment screen would come up. If the reservation is rejected, the reason would be displayed as an error message, and new selections would have to be made.

If payment is to be made, the affirmation page would be in the form of the payment transmission page, as shown on Screen No. 3-8. The total amount due plus tax is displayed with all payment options.

For a credit card transaction, for example, the customer enters the credit card code number, and if in the profile, his number and expiration date come up automatically, and he then enters the PIN number where required. This is checked immediately against credit card companies for affirmation. Once approved, the information is recorded on the user's profile for his personal retrieval, and a hard copy is produced like at a point of sale terminal at stores and would serve as the confirmed reservation check.

SCREEN NO. 3 - 8

Resorts On Line

ELECTRONIC FUNDS TRANSFER

You have selected (all particulars would be displayed)

Total amount Due plus tax is AMOUNT \$(will be displayed)

Credit cards

65 01 Master Card

02 VISA

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-continued

SCREEN NO. 3 - 8

03 American express
 04 Diners Club
 05 Any Other
 Enter number for selection (Press * when Done)
 Enter credit card number (Press * when Done)
 Enter expiration Date (Press * when Done)
 Enter Pin Number (May not be necessary)
 (Press * when Done)

TRANSACTION FLOW CHART

FIG. 6 shows the typical pathways of information flow for the transactions examples dealing with a brokerage firm 301 and a department store 303, starting with data entry to the expanded touch pad 130 of the user's videophone 120 and finishing with a confirmation of the transaction by a printout from printer 140 to the user.

FIG. 6 shows the sequence for a brokerage transaction by a brokerage firm 301 using the videophone system 10. The user at videophone station 100, by looking at screen 122, is informed that his/her electronic mailbox has a broker confirmation to be acted on, as shown in Screen No. 1-3. The user studies the confirmation transaction on videoscreen 122, as depicted in Screen No. 1-4, and decides if the transaction is incorrect or correct.

If the transaction is incorrect, as shown in Screen Nos. 1-5, 6, and 7, the user responds by sending an electronic response to the mailbox of data center 200, advising as to what is incorrect, or requesting the brokerage firm to call the user, or the user reviews the transaction and takes no further action. The data center 200 advises the brokerage firm 301 of the action required, and the user then goes back to the mailbox 190 for further action, if required.

If the transaction is correct, the user selects a payment choice, such as instructions to a bank via the mailbox of the data center 200, as shown in Screen Nos. 1-8 and 1-9. The bank then advises the brokerage firm 301 of the payment. The brokerage firm 301 confirms the transaction by a printout from printer 140 to the user, as shown by Screen No. 1-10, and the videoscreen 122 then returns to the mailbox 190 which completes the brokerage firm transaction. The user can then respond to other messages in the mailbox 190 or return to main menu 192.

The other transaction depicted in FIG. 6 is the use of the videophone system 10 by a user, at user station 100, to make a purchase from department store 303. The user selects which department store 303 to buy from, as shown in Screen No. 2-3, using the department store list menu on videoscreen 122. The user then selects the desired department, as shown in Screen No. 2-4, such as children's wear, shown on screen 2-5. The user then continuously scrolls the videoscreen 122 until the user selects the item of purchase wanted, such as a girl's dress. The user can then see that item and/or text related to that item on the videoscreen 122. If the user is not interested at this point, the user can return to the main menu 192, or to the store main menu for another selection, etc., as shown by Screen No. 2-3. If the user is interested in the girl's dress, a recap of the purchase selection is made on the videoscreen 122. The user then selects a payment choice, such as a store credit card, a major credit card, or a bank transfer, as shown in Screen No. 2-6. If a credit card is used, the information is given to the data center 200 for credit card approval. If the credit card is not approved, the payment

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choice loop is repeated. If approved, a bill request is given to the credit card company for payment to the department store 303. If a bank transfer is used, instructions are issued to the bank 302 via the data center 200. The data center 200 then sends instructions to the department store 303 on the order requested, payment advice, and how the item purchased is to be shipped, etc.

The department store confirms the order purchased by sending a printout to the user, and the user returns to the main menu 192 on videoscreen 122 which completes the department store transaction, as shown in Screen Nos. 2-1 and 2-2.

OPERATION OF SECURITY SAFEGUARDS

In operation of the videophone interactive mailbox facility system 10 where communication of information is vital between a user station 100, the data center 200, and a vendor station 300, there is a need for security safeguards of messages and transactional communications, as shown in FIGS. 5 and 6 of the drawings. In keeping messages and transactions secure against actions by unauthorized third parties, there is the use of encryption/decryption cipher microchips.

Typically, this prevents three forms of unauthorized third-party security abuse: the first being the interception and reading of a message/transaction which violates the message/transaction privacy; the second being an interception and modification of the message/transaction which is a violation of message/transaction integrity; and the third being the fabrication of a realistic-looking substitute message/transaction which is a forgery or impersonation.

FIG. 5 shows the message flow pattern from a user station 100 to a vendor station 300. For example, when a user station 100 sends a message via the data center 200 to a vendor station 300, the user station 100 has an encryption encoder cipher microchip 180 which disguises the message, so as to hide its substance, and it thus becomes a cipher text or encrypted message. The cipher text is then electronically transferred to the data center's decryption decoder cipher microchip 228, which converts the cipher text back into its original plain text (plain text is a message whose substance can be understood by mere reading) in which microprocessor 202 then records and processes the message to a proper database 216 file. The aforementioned message is then encrypted again by the data center's encryption encoder cipher microchip 226 into a new cipher text. This new cipher text is then electronically transferred to the decryption decoder cipher microchip 358 at vendor station for decryption into plain text, and the plain text message is then processed by the vendor station's 300 PC340 for an appropriate action by the vendor.

Conversely, when the reply message flows from the vendor station 300 to the user station 100, as depicted in FIG. 6, the message flow is now reversed. For example, when vendor station's 300 PC340 sends the reply message in plain text, the encryption encoder cipher microchip 356 converts the plain text reply message into cipher text, which is then electronically transferred to the data center's 200 decryption decoder microchip 228. This action converts the cipher text back into its original plain text, which microprocessor 202 records and processes the reply message to an appropriate database file 216. Then the aforementioned reply message is encrypted again by the data center's 200 encryption encoder cipher microchip 226 into a new cipher text algorithm. This new cipher text is then electronically

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transferred to the user's station 100 decryption decoder cipher microchip 182 for decryption into the reply message plain text. The reply message is then put on the videophone's 120 display screen 122 for the user's visual review and a hard printed copy of the reply message can be printed out by printer 140 for the user's office account records.

ADVANTAGES OF THE PRESENT INVENTION

Accordingly, the primary advantage of the present invention is that it provides a videophone interactive mailbox facility system that allows the user to view products and services by a videophone component that is easier and faster to use and less expensive than a personal computer and also more user friendly than a personal computer.

Another advantage of the present invention is that it provides to the end users a functionality of application and equipment they desire without undue complexity of learning to use a particular application and equipment for the network system.

Another advantage of the present invention is that it provides for the various vendor applications' databases and incorporation of new applications, which can be continuously and easily expanded, on an ongoing basis, at the network system's data center with information supplied by the vendor. This expansion to the system is achieved without adding to the network system's hardware at the data center already in place and without any additional burden placed on the user to use or learn the system already taught.

Another advantage of the present invention is that it provides for a network system that has state-of-the-art security safeguards for message privacy and transaction authentication by using encryption and decryption algorithm cipher microchips in hardware used by the vendor, the data center, and the subscriber. These security safeguards protect against embezzlement, fraud, and theft of services for all parties involved in the network system's day-to-day transactions and operations.

A further advantage of the present invention is that it provides for a network system that has worldwide application in all of its uses for the subscribers and/or vendors.

A latitude of modification, change, and substitution is intended in the foregoing disclosure, and in some instances, some features of the invention will be employed without a corresponding use of other features. Accordingly, it is appropriate that the appended claims be construed broadly and in a manner consistent with the spirit and scope of the invention herein.

What is claimed is:

1. A videophone interactive mailbox facility system including a central data center for processing of information to conduct a transaction, comprising:

- a) a user station having a videophone for viewing transaction information sent or received to conduct a transaction; an encryption encoder and a decryption decoder for safeguarding said transaction information sent or received; and means for inputting said transaction information into said videophone;
- b) a vendor station having computer means for the transmission and receipt of vendor-type information to or from said central data center for conducting a transaction; an interface network for making said vendor

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station computer means compatible with a computer processor at said central data center; database storage components for receiving and storing said transaction information sent from said user station via said central data center; and an encryption encoder and a decryption decoder for message privacy and transaction authentication of said vendor-type information sent or received;

c) said central data center electronically connected to said user station and said vendor station and including a computer processor for centralized transmitting, receipt of and storage of said transaction information and said vendor-type information with said user station and said vendor station; said computer processor being electronically connected to one or more telephones; a display screen for monitoring said transactions; an encryption encoder and a decryption decoder for authentication of said transaction information and said vendor-type information sent or received; and a network interface for electronically connecting and making compatible said computer means at said vendor station.

2. A videophone system in accordance with claim 1, wherein said videophone further includes a memory chip for storing of said transaction information, a proprietary interface chip for interfacing with said central data center, an expanded touch pad for sending additional detailed information, and a pointer for use on the videophone monitor screen.

3. A videophone system in accordance with claim 1, wherein said user station further includes a printer for printing out said transaction information and said transactions, and wherein said means for inputting said transaction information is a touch pad.

4. A videophone system in accordance with claim 1, wherein said vendor station includes a video system for transmitting a visual representation of vendor products or services.

5. A videophone system in accordance with claim 1, wherein said vendor station computer means is electronically connected to modems, telephones, videophones, printers, and work stations for sending out said vendor-type information.

6. A videophone system in accordance with claim 1, wherein said central data center further includes buffer components for the holding of said transaction and vendor-type information to be processed.

7. A videophone system in accordance with claim 1, wherein said computer processor at said central data center is further connected to networks, modems, videophones, printers, and fax machines for the transmission of said vendor-type information and said transaction information with said user station and with said vendor station.

8. A videophone system in accordance with claim 1, wherein said central data center further includes personnel work stations for technicians and for vendor and user applications.

9. A videophone system in accordance with claim 1, wherein said central data center further includes database storage components for video transmission and for storage of said transaction information and said vendor-type information.

* * * * *



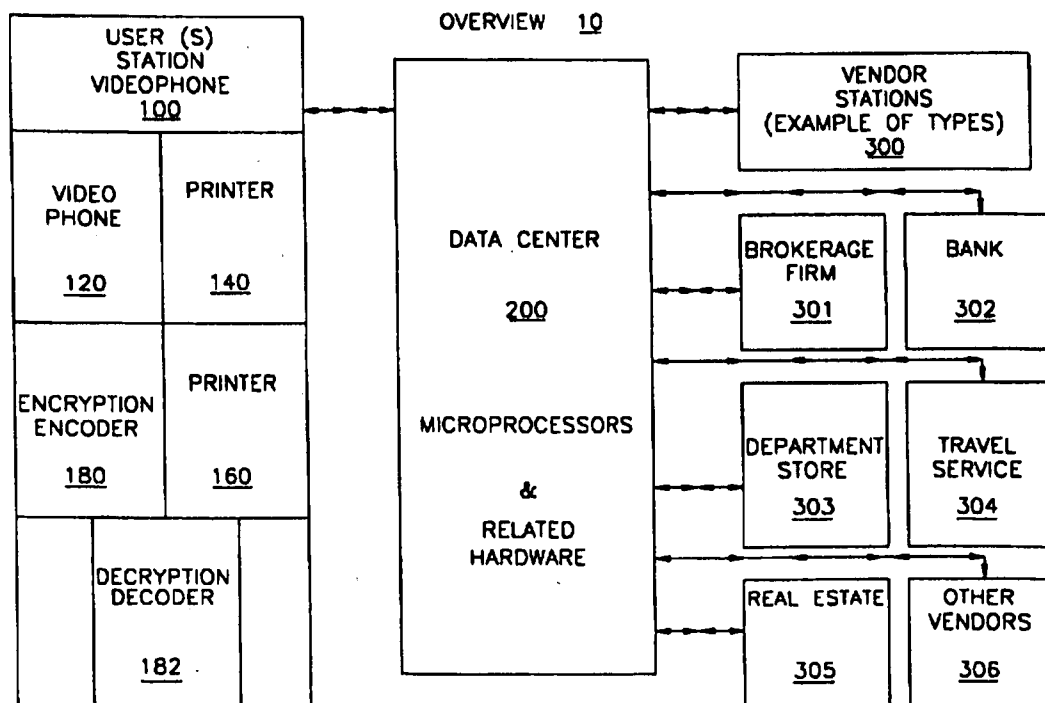
US005724092A

United States Patent [19]**Davidsohn et al.**[11] **Patent Number:** **5,724,092**[45] **Date of Patent:** ***Mar. 3, 1998**[54] **VIDEOPHONE INTERACTIVE MAILBOX FACILITY SYSTEM AND METHOD OF PROCESSING INFORMATION**5,515,424 5/1996 Kenney 379/96
5,528,672 6/1996 Wert 379/96[76] **Inventors:** John Davidsohn, 7 S. Hollow Rd., Dix Hills, N.Y. 11746; Anthony Cinotti, 410 Hillside Ave., Mahwah, N.J. 07430[*] **Notice:** The term of this patent shall not extend beyond the expiration date of Pat. No. 5,606,361.[21] **Appl. No.:** 713,007[22] **Filed:** Sep. 12, 1996**Related U.S. Application Data**

[63] Continuation of Ser. No. 438,892, May 10, 1995, Pat. No. 5,606,361.

[51] **Int. Cl.⁶** H04M 11/00; H04N 7/12[52] **U.S. Cl.** 348/14; 379/93.17; 379/93.12; 364/226[58] **Field of Search** 379/93-99, 90, 379/91, 90.01, 93.01, 93.12, 93.17-93.28; 348/14-20; 364/401, 405, 226[56] **References Cited****U.S. PATENT DOCUMENTS**5,062,136 10/1991 Gattis et al. 379/90
5,365,577 11/1994 Davis et al. 379/96
5,448,285 9/1995 Kadowaki 379/96**Primary Examiner—Wing F. Chan**
Attorney, Agent, or Firm—Ezra Sutton, Esq.[57] **ABSTRACT**

A videophone interactive mailbox facility system for processing of information to conduct a transaction which includes a user station, a vendor station, and a central data center. The user station has a videophone for viewing information sent or received to conduct a transaction; an encryption encoder and a decryption decoder for safeguarding the information sent or received; and a touch pad for inputting the information into the videophone. The vendor station has a computer for the transmission and receipt of vendor-type information to or from the central data center for conducting a transaction; and an encryption encoder and a decryption decoder for message privacy and transaction authentication of the information sent or received. The central data center is electronically connected to the user station and to the vendor station and includes a computer processor for centralized transmitting, receipt of and storage of all information and transactions with the user station and the vendor station. The computer is electronically connected to one or more telephones and includes a display screen for monitoring the transactions. Also included is an encryption encoder and a decryption decoder for authentication of the information sent or received, and a network interface for electronically connecting and making compatible the computer used by the vendor station.

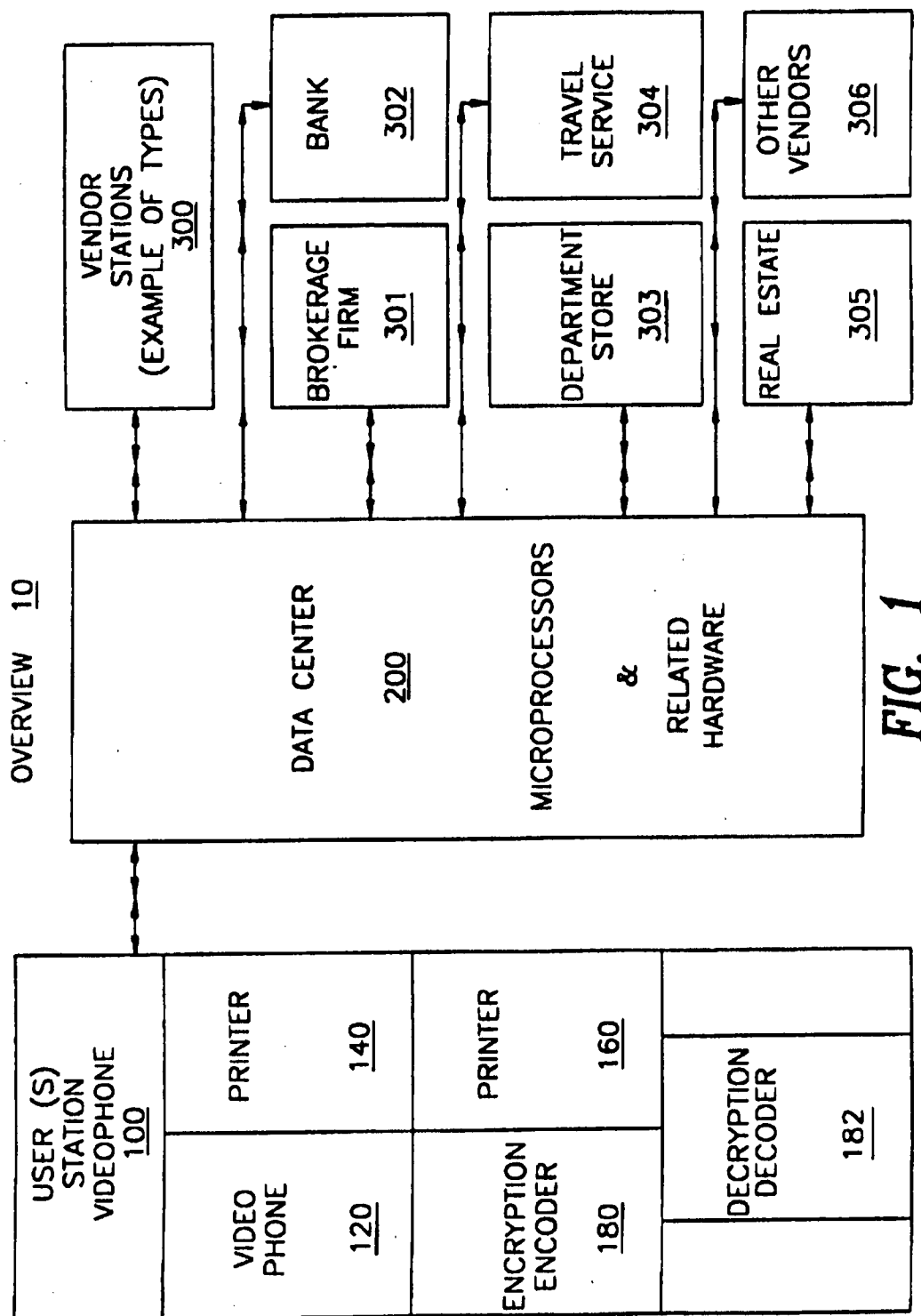
15 Claims, 7 Drawing Sheets

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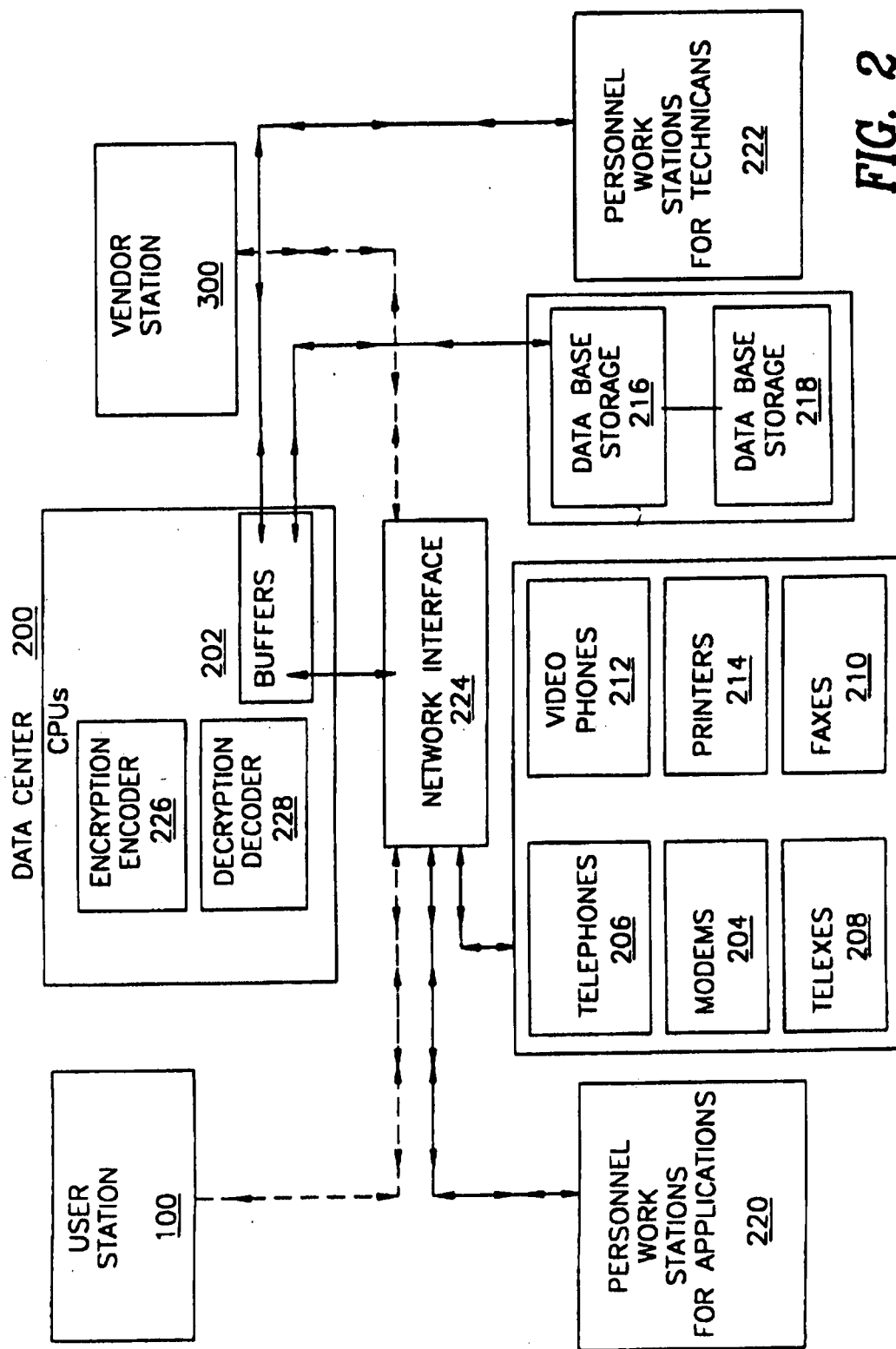


FIG. 2

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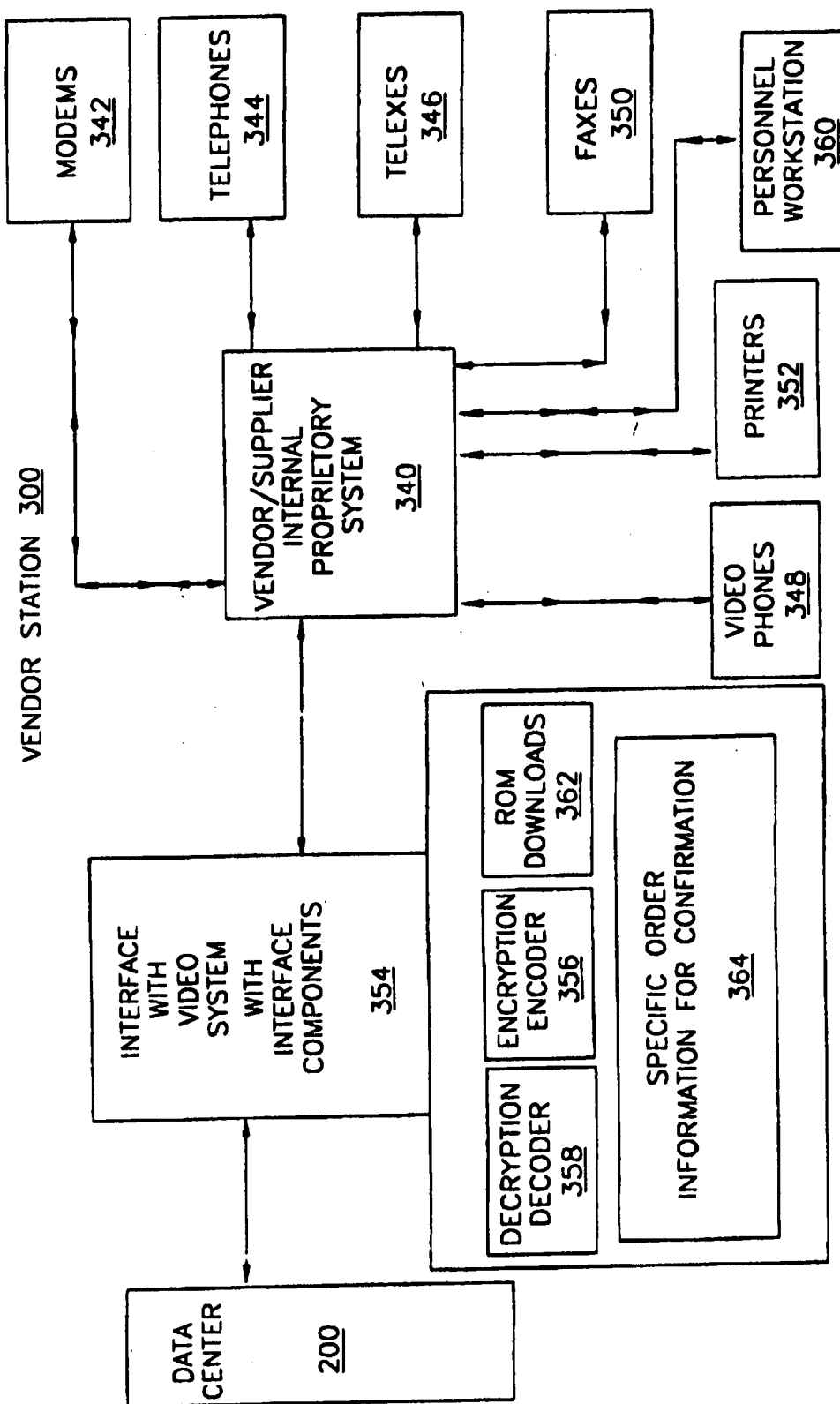


FIG. 3

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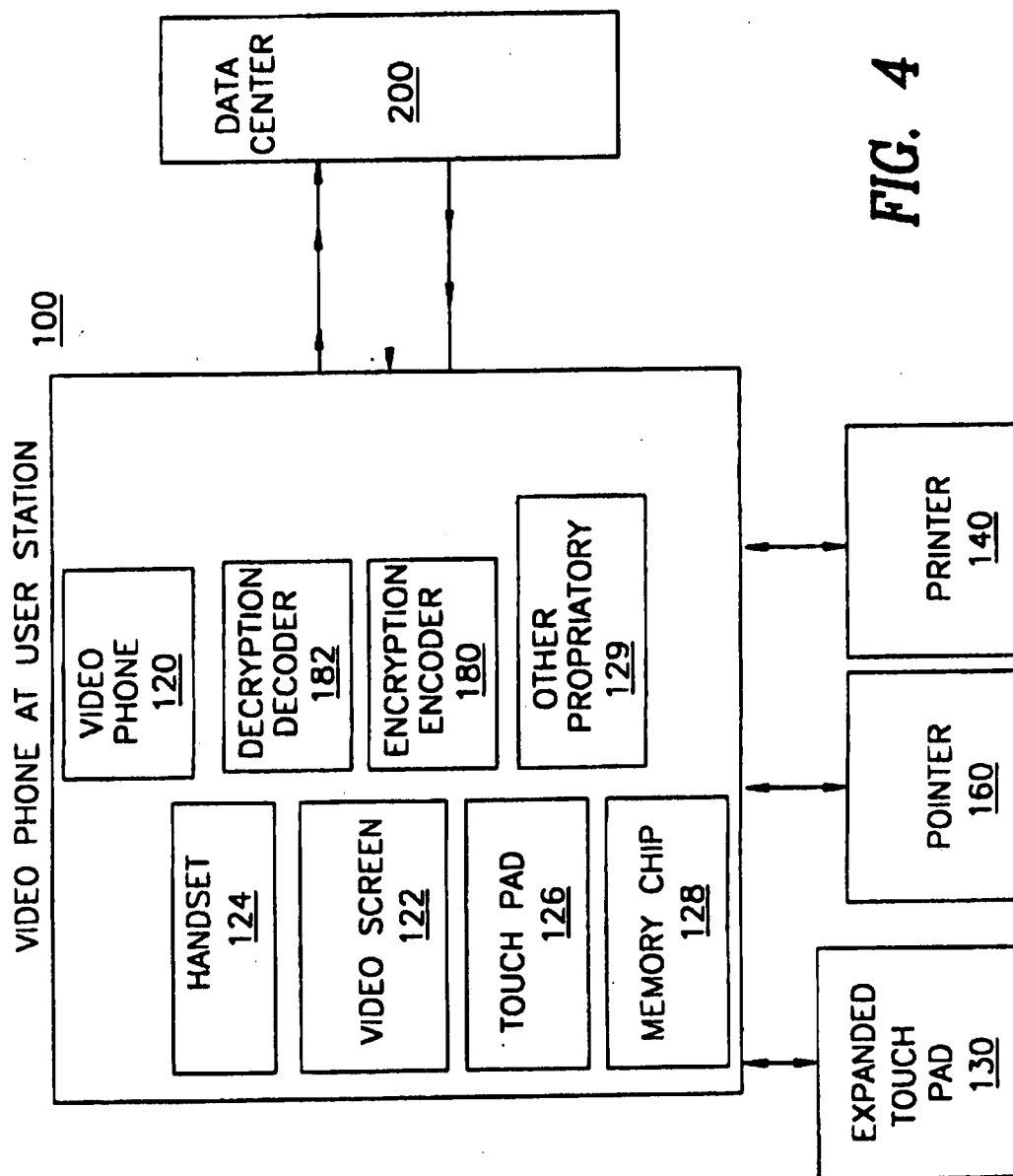


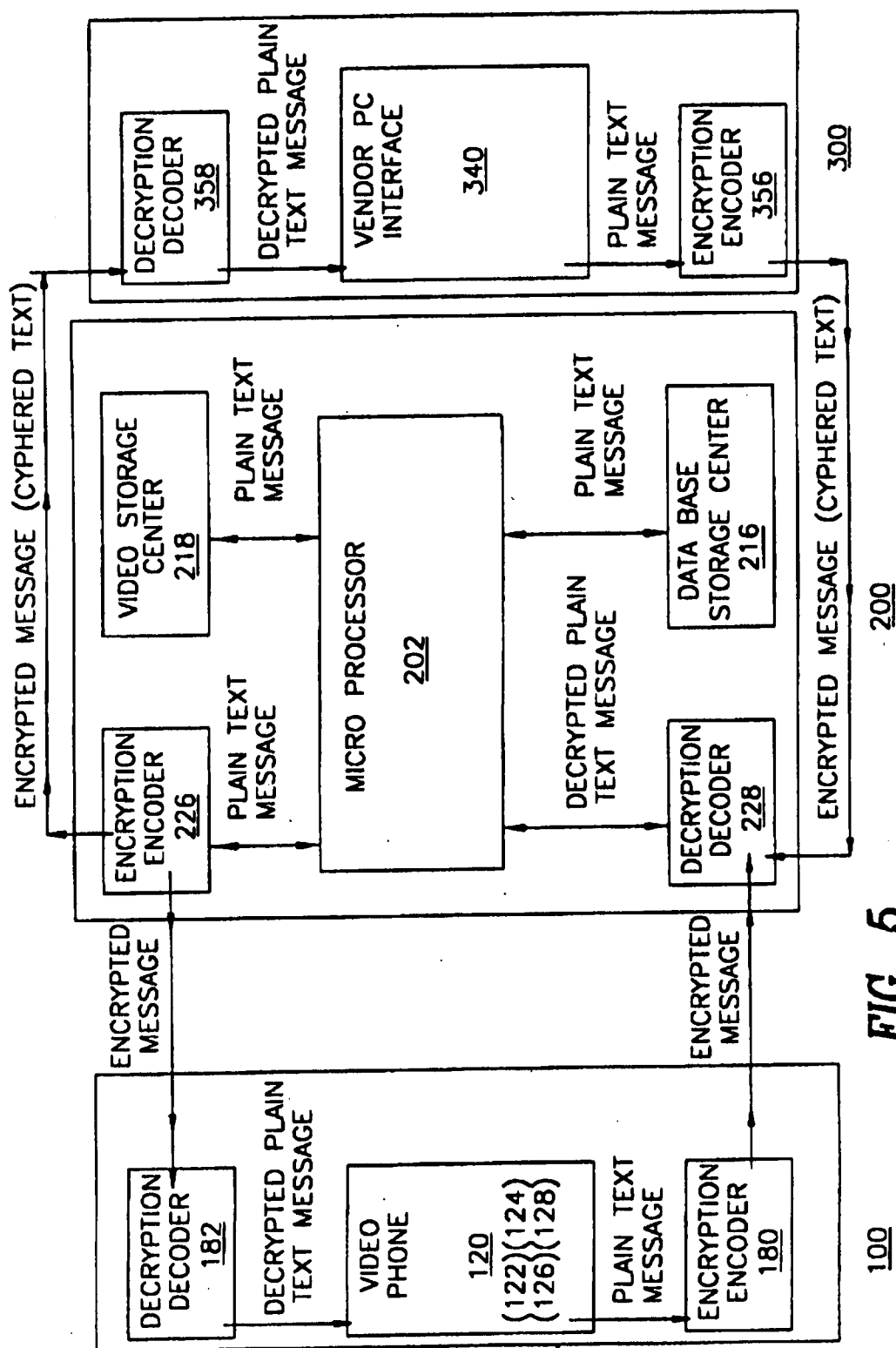
FIG. 4

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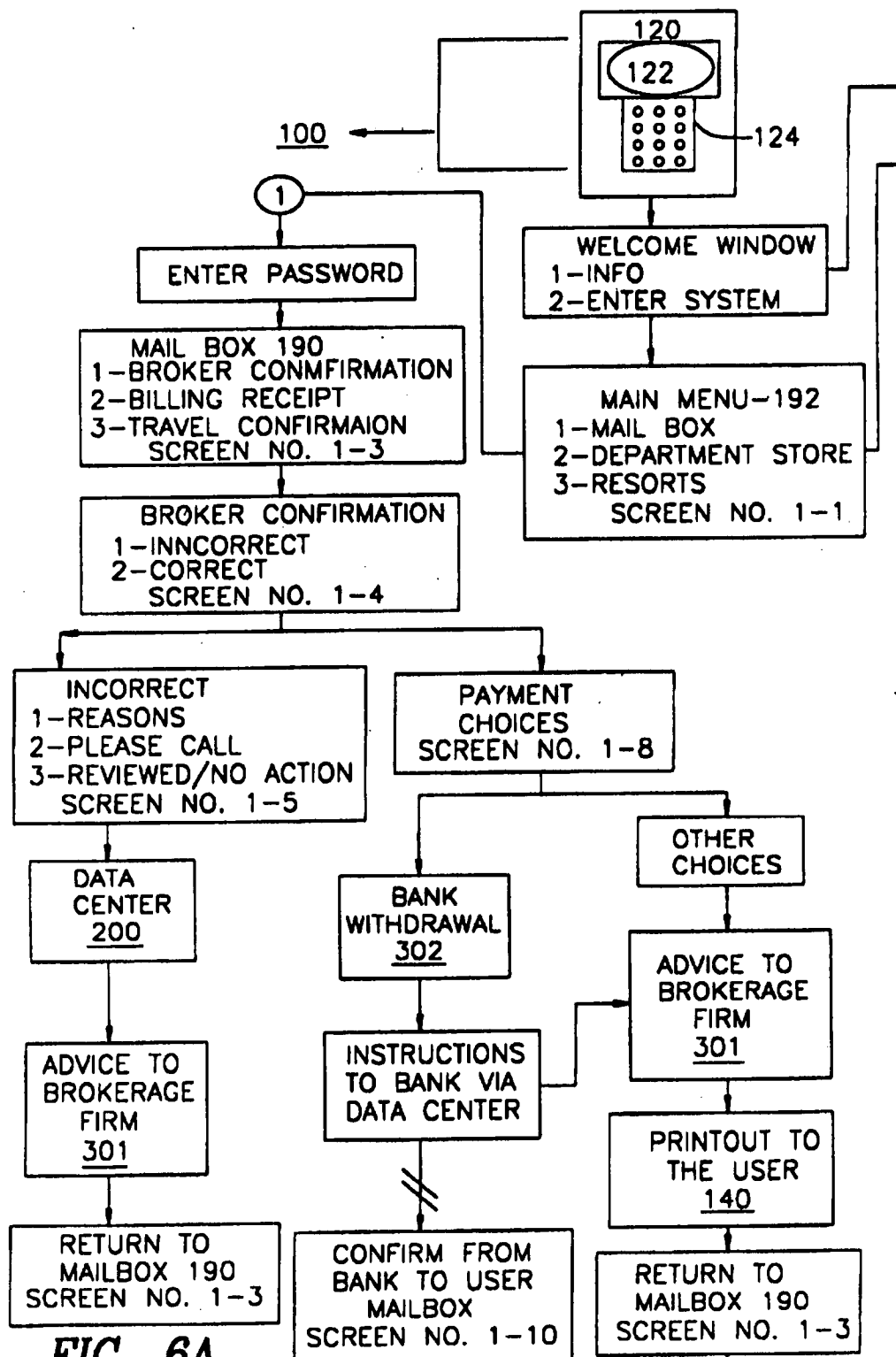


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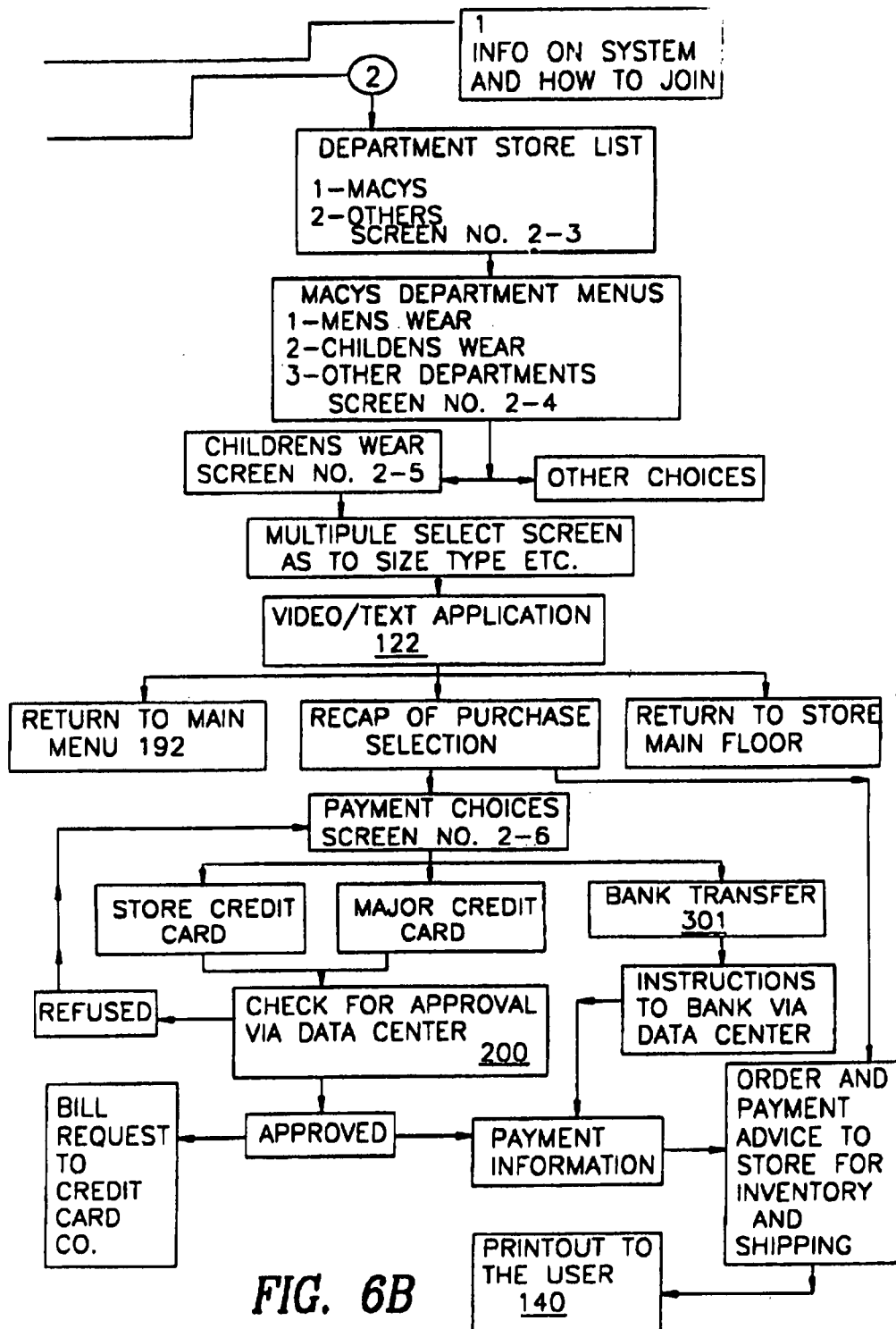


FIG. 6B

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VIDEOPHONE INTERACTIVE MAILBOX FACILITY SYSTEM AND METHOD OF PROCESSING INFORMATION

This application is a continuation of application Ser. No. 08/438,892, filed May 10, 1995, U.S. Pat. No. 5,606,351.

FIELD OF THE INVENTION

This invention relates to a videophone interactive mailbox facility system, wherein the system has a videophone, a printer, a computer, and a central data center for processing information from a plurality of stations for purchasers and sellers.

BACKGROUND OF THE INVENTION

At present, there are many known audio and video presentation interactive network systems where a subscriber can buy products and/or services with the aid of the subscriber's telephone and cable television system. Lists and pictures of products or services are presented on the subscriber's television screen. The subscriber then selects what he/she wishes to purchase by pressing selected keys on the subscriber's telephone.

In another type of interactive network system, the subscriber can purchase products or services with the use of the subscriber's telephone and personal computer in conjunction with an interactive cable television system that distributes information to the subscriber's television at their request. This system provides a shopping service where subscribers shop at home through an electronic mail process. This system allows subscribers to select which products and services they will view on their televisions by the use of their own telephone and/or computer.

The problems inherent with the above audio/video interactive network systems are that the subscriber's interaction with the cable television system or computer system is limited mainly to the subscriber's one-way input of data to the interactive system by phone or personal computer. These systems do not provide for an immediate confirmation of an order and do not provide proper security to the transactions carried out.

It would be highly desirable to provide an interactive mailbox facility system having built-in security safeguards, a videophone with a printer for the subscriber's use, and a central data center computer for processing and dispensing information to and from a plurality of stations for both purchasers and sellers.

DESCRIPTION OF THE PRIOR ART

Audio/video interactive network systems in conjunction with a cable television network system or centralized computer system have been disclosed in the prior art. For example, U.S. Pat. No. 4,645,873 discloses a system for allowing subscribers to make purchases and pay for them, access electronic mail, or access classified ads. Each subscriber employs a personal computer and a modem and communicates with a central computer over the telephone lines.

U.S. Pat. No. 4,734,858 discloses a system for allowing consumers to place orders using hand-held data terminals having visual displays connected by telephone lines to a processing center.

U.S. Pat. No. 4,860,123 discloses a system for buying of goods or services, where a customer employs his personal computer in combination with his phone and television to

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view on his television a video conveyed by the vendor, through a main computer network center, wherein the video shows the goods or services being offered for sale.

U.S. Pat. No. 4,943,995 discloses a telemarketing system which provides vendor information services and products in response to telephone-customer initiated inquiries. The system allows customers to use their telephones to call a data center through a voice and data-switching network and includes database systems and vendor PCs.

U.S. Pat. No. 5,311,302 discloses a video entertainment and data-management system for passengers on aircraft. The system employs the use of a video terminal having a video LCD display screen at the customer location, a video tape player, a telephone, headphones, and a digital ROM processor. The customer can select the type of service wanted by touching the touch panel on the LCD display screen for entertainment, food/drink select, on-board sales, or telephone.

U.S. Pat. No. 5,325,423 discloses an interactive multimedia communication system like a "home shopping network" that can be utilized with a telephone network, a switching network, a broadcast network, such as a satellite or cable system, for the selling of goods, audio information, such as news, weather, etc., products, services, etc., and by a subscriber or user.

None of the aforementioned patents disclose a videophone interactive mailbox facility system having security safeguards as provided for in the present invention.

Accordingly, the primary object of the present invention is to provide a videophone interactive mailbox facility system that allows the user to view products and services on a videophone that is easier and faster to use, less expensive than a personal computer, and also more user-friendly than a personal computer.

Another object of the present invention is to provide to the end users a functionality of application and equipment they desire, without undue complexity of learning to use a particular application and equipment for the network system.

Another object of the present invention is to provide various vendor applications databases and the incorporation of new vendor applications which can be continuously and easily expanded, on an ongoing basis, at the network system's data center with information supplied by the vendor.

Another object of the present invention is to provide the capability of network system expansion without adding to the network system's hardware at the data center already in place; and without any additional burden placed on the user to use or learn the network system.

Another object of the present invention is to provide a network system with security safeguards that protect against embezzlement, fraud, and theft of services for all parties involved in the network system's day-to-day transactions and operations.

Another object of the present invention is to provide a network system that has state-of-the-art security safeguards for message privacy and transaction authentication by using encryption and decryption algorithms and cipher microchips in hardware used by the vendor, the data center, and the subscriber.

A further object of the present invention is to provide for a network system that has worldwide application in all of its uses for the subscribers and the vendors.

SUMMARY OF THE INVENTION

The present invention provides a videophone interactive mailbox facility and processing method. The videophone

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mailbox is designed to be used as a storage facility for the storage of video/voice and/or video/text images. These images contain phone messages utilizing videophones or computer-generated video/voice or video/text messages.

The interactive capability is designed to facilitate the use of video/voice and/or video/text for the use of the general population to view and hear the videophone messages for purposes of general conversations, objects of art, homes, contracts, confirms, pictures of vacation resorts, pictures of general interests, and all items offered for sale through mail order and/or department stores, car dealers, real estate operations, financial institutions, video stores, airline reservations, restaurants, hotels, and all operations that are in the business of selling objects of interests or services to the private or public sector having something to sell utilizing a videophone mailbox interactive facility system.

The videophone mailbox speeds the ability of that user to respond interactively by the very nature of video images and the voice/text messages to purchase or to place a down payment for the object of interest or service that was placed in the videophone mailbox by a company for the purpose of selling their services or objects of interests and which the user thereby decided to buy based on his ability to view and/or hear the associated sales presentation on the videophone mailbox.

The process of this invention interacts with the user by providing the computer facility and design of computer programs that contain all the relevant information which was provided to a data center by the user of the videophone mailbox that will allow him to transfer funds electronically from the financial institution of his choice to the recipient of the electronic funds.

The user's PIN (private identification number) is encrypted for purposes of authentication of the user's interactive responses which will provide the safety and privacy of the user's account at the financial institution or institutions, thereby allowing the user to select one of many institutions the user deals with.

The data center archives all messages that the user generates and the data center will decide if the messages of the sender, such as confirms for affirmation by the user, and the user's responses to electronically transfer funds for immediate payment are archived for historic purposes and provide the audit trail necessary for regulatory agencies.

The data center has the programs that provides the user with the ability to affirm or disaffirm a contract and to generate an authenticated electronic funds transfer message with copies to the financial institution that effects the electronic funds transfer and the corporation or company which is to receive the electronic funds transferred.

BRIEF DESCRIPTION OF THE DRAWINGS

Further objects, features, and advantages of the present invention will become apparent upon consideration of the detailed description of the presently-preferred embodiments, when taken in conjunction with the accompanying drawings, wherein:

FIG. 1 is a schematic representation of the present invention of the videophone interactive mailbox facility system showing the three interconnected interactive systems, being the user(s) station(s); data center; and vendor station(s), which gives an overview of the system;

FIG. 2 is a schematic representation of the data center system with all major components being shown;

FIG. 3 is a schematic representation of the vendor station with all major components being shown;

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FIG. 4 is a schematic representation of the videophone system being used at the user station with all major components being shown;

FIG. 5 is a schematic representation of the general information flow showing the encryption and decryption of text at each station; and

FIG. 6A & 6B together show is a flow chart for two transaction examples.

DETAILED DESCRIPTION OF THE PREFERRED INVENTION

The videophone interactive mailbox facility system 10 and the component parts of the present invention are represented in FIGS. 1 to 4. As shown in FIG. 1, the videophone system 10 comprises a plurality of user stations 100, a central data center 200, and a plurality of vendor stations 300.

Each user station 100, as depicted in FIG. 4, includes a videophone 120 having a video screen 122, a handset 124, pushbuttons 126 for dialing, a memory chip 128, and a telephone line. Connected to the videophone 120 is a printer 140 for printing hard copies of transactions or receipts for products and services, a screen pointer 160 for transactions on videoscreen 122, and an encryption encoder microchip 180 and decoder 182 for message privacy and transaction authentication.

As shown in detail in FIG. 2, the data center 200 includes a mainframe computer microprocessor 202 electronically connected to conventional or state-of-the-art modems 204, telephones 206, telexes 208, faxes 210, videophones 212, and printers 214 for communication with the users at the user stations 100, and vendors at the vendor stations 300 via the mainframe microprocessor 202. Also connected to the mainframe microprocessor 202 are a plurality of personnel work stations 220 and 222.

Personnel work stations 220 interface with the various vendor stations 300 to input to microprocessor 202 the vendor data and other information for a particular vendor matter. The other personnel work stations 222 interface with the staff of data center 200 in the handling of technical hardware problems and writing and formatting of software applications for the microprocessor 202.

In addition, microprocessor 202 is electronically connected to a database storage center 216 having all of the file information for the various vendors and user subscribers of videophone system 10. Also, electronically connected to microprocessor 202 is a video storage center 218 having all of the video film/video text that is supplied by the various vendor stations 300 using the videophone system 10. The videophones 212 used at the data center 200 are able to review all incoming video film and/or text from the various vendor stations 300.

Other related components connected to microprocessor 202 are a network interface 224 for making compatible the various vendor hardware and software systems with microprocessor 202. In addition, there are encryption/decryption microchips 226 and 228 electronically connected to the microprocessor 202 for continuing security safeguards for message privacy and transaction authentication between user stations 100, the data center 200, and the vendor stations 300.

As shown in FIGS. 2 and 3, the videophone mailbox facility system 10 has various vendor stations 300, such as a bank firm 302, a department store 303, and a travel service agency 304. Other vendor stations not shown in this embodi-

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ment can be included, such as healthcare institutions, food markets, sport/entertainment activities, insurance offerings, and the offering for sale of virtually any product or service. Each vendor station 300 has included in it one or more PCs 340 electronically connected to conventional or state-of-the-art modems 342, telephones 344, telexes 346, videophones 348, faxes 350, printers 352, interfaces 354 for connecting the vendor system to the data center 200, and encryption encoders/decoders 356 and 358. The PCs 340 are also connected to one or more personnel work stations 360 having vendor staff which performs the entering of data and information files to the vendor system 300 and which conveys those files, information, and data to the data center 200 via a ROM downloading system 362.

OVERVIEW OF THE OPERATION

FOR THE PRESENT INVENTION

The present invention has many practical uses and applications, such that the user of a videophone interactive mailbox facility 10 can interact with financial institutions,

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ing the purchase and sale of shares of stock between a user and a brokerage firm, with a payment through a bank or other payor. The user would initially enter the system 10 by the expanded touch pad 130 which activates the system to a main menu, as shown by Screen Nos. 1-1 and 1-2. The user would depress the 01 key to get into the videophone interactive mailbox. The following (Screen No. 1-3) is the next display that would appear on the user's videophone screen. The user is supplied information in the form of video messages by a sequence number, date, time, message-type, and note.

SCREEN NO. 1 - 1

Index page 1 of 2

Welcome to Main Menu

Select choice of interest by entering the number followed by the "*"

- 01 Videophone Interactive Mailbox
- 02 Department Stores
- 03 Resorts
- 04 Real Estate
- 05 Jewelry Stores
- 06 Catalogues
- 07 Phone number directories
- 08 Computer Supplies
- 09 Airline Schedules and Reservations
- 10 Restaurants and/or Reservations

Enter Number ____

Depress * to Enter

Go to Next Page - Press ***

including brokerage firms, banks, and lending institutions; with commercial companies, such as department stores, mail order firms, travel agencies, food market chains, etc.; and with healthcare institutions, such as hospitals, healthcare clinics, nursing homes, etc.

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Accordingly, the primary innovative feature of the present invention is that it provides for a videophone interactive mailbox facility system that allows the user to view products and services; review letters, bills, and payments for services/products which can be viewed on the videophone screen, such that the user can review the pertinent information and immediately decide if it is correct and then transmit the appropriate letter, bill, and/or payment for services or products.

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Another feature of the present invention is that it provides for an internationally secure network for investment with banking firms using the videophone system. It uses all internationally-accepted standards that are commonly practiced accepted around the world, such that the equipment utilization has a proven record of international viability in terms of security safeguards, reliability, certification, and consumer acceptance.

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EXAMPLE NO. 1

FINANCIAL INSTITUTIONS

The following is an example of how the system of the present invention is applied to a financial transaction involv-

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SCREEN NO. 1 - 2

Index page 2 of 2

Welcome To Main Menu

- 11 Restaurant Delivery Services
- 12 Hotels/Motels Cities and Reservations
- 13 Theater schedules and ticket information
- 14 Supermarket Shopping
- 15 Overnight Pickup/Delivery Services
- 16 Automobile Repair Services
- 17 Music Instruments Purchase/Rentals
- 18 Power Tool Rentals
- 19 Ice Rinks, Schedules, Supplies
- 20 Taxi and Limousine Services

Enter Number ____

Depress * to Enter.

Go to previous menu enter #

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SCREEN NO. 1 - 3
VIDEOPHONE MAILBOX INTERACTIVE FACILITY

Welcome Mr. Smith:

Select item by pressing the appropriate number keys followed by *

01. ☐ 01/04/95 1:35pm Broker Confirmation
 02. ☐ 01/04/95 1:49pm Broker Confirmation
 03. ☐ 01/04/95 2:55pm Financial Report Requested 01/12/95
 04. ☐ 01/04/95 2:59pm Financial Report Requested 01/12/95
 05. ☐ 01/04/95 3:00pm Account Status Report Requested 01/12/95

To Open Message Enter 2 Digit Number

Depress * to Select

To View Additional Messages On The Next Page The '#' Key
 To View Previous Screen Press The Zero '0' Than '#' Keys
 or ### to return Main Menu

The menu on the above display (Screen No. 1-3) is presented to the user after the user utilizes the videophone and dials the phone number assigned to him. To access the videophone interactive mailbox facility, he must enter his PIN number and key authentication.

The number of messages and message type/types could exceed the one screen display. As described in the screen display, the user will have the ability to scroll the following screens to view all the messages he has received. This will allow him to select the message type he wishes to view in the sequence of his choice.

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The numeric keys representing the message sequence number plus the month, day, year (Jan. 4, 1995) followed by the asterisk(*) will execute his request.

5 The scroll facility will allow him to scroll forward and backwards. The zero(0) and pound(#) keys will allow him to scroll backwards. The pound(#) key will allow him to scroll forward.

10 After he views his messages, the screen with the original menu will display the disposition of the message type. The profile on the system will provide the automatic archive of the message as provided by the company who has contracted with the data center when the customer's profile is initially generated.

Upon entering his selection, the image is displayed. The image displayed could also contain computer-generated speech or speech spoken by a person generated when the image was captured. The customer will make that determination based on their needs.

25 The next step is the trade confirmation, which is represented in the display of Screen No. 1-4, as shown below. The client requested message number Jan. 4, 1995, which is a broker confirmation. The confirm image is displayed on the videophone for the client to review. The client is requested to press keys 1* or if incorrect 9*.

SCREEN NO. 1 - 4

MSG				01. <input type="checkbox"/>	01/04/95	1:35pm	BROKER CONFIRMATION
Trade Ref:		012657004		Best Broker & Co. Incorporated			
Exec Broker		0161		Contra Broker		0050	
Action:		BUY Unsolicited		Amount: 100 Shares		Price: 68 1/8	
Security International Business Machines				CUSIP No.:		135698-10-1	
Additional descriptive information as required by law							
Account/Type: Margin - 003-123456-1				Trade Date: 01/04/95		Settle Date: 01/11/95	
Account Info:				Trade Information			
Mr. John Smith				Commission 25.00			
12 Gold Street Drive				Principal Amt 6,812.50			
Dix Hills, New York 11746				Net Amount \$6,837.50			
If Correct: Press 1*				Enter '#' To Scroll Forward.			
If Incorrect Press 9*				Enter '0#' To Scroll To Previous Screen.			
*Note If You Do Not Respond A Message To The Institution Is Generated advising That You Have Reviewed This Confirm And No Additional Action Was Taken							

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If 1* is the response, the next screen displayed (see Screen No. 1-5) is a screen format that will request the transfer of electronic same-day funds from the user's account to the brokers on or before the settlement date.

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of time passes for a corrected order to reach the user, further reducing the financial institution's exposure.

The word "user" includes any one individual, any number of individuals, and any company (other financial

SCREEN NO. 1 - 5

				VMIF Incorrect Reply-1
MSG	01. <input type="checkbox"/>	01/04/95	1:35pm	Broker Confirmation
REPLY: CONFIRMATION INCORRECT		Trade Reference : 012657004		
Dear Mr. Smith.				
Please read the following for your response of CONFIRM INCORRECT.				
You have responded with a 9*. This means some part of the trade described for the above reference transaction is incorrect and not acceptable to you.				
On the following pages we have tried to provide all possible reasons why a trade is not accurate. Please depress the two number keys that places an asterisk next to the corresponding error description.				
You may enter as many two digit codes for multiple errors as you wish.				
If the reason is not on the following screens please request a broker representative to contact you (key 24 or 25) to help resolve the error.				
This message will reach the firm that handled your order as soon as your reply is completed.				
Press '#' to see next screen				
Press 0# to view only the previous screen				
Press '*#' to return to confirm screen to change trade reply to CORRECT				

If the response is 9*, the next screen displayed (see Screen No. 1-6) is a request to the user to enter an asterisk next to the possible reasons by depressing the two keys for the 35 numbers listed for as many times that the user finds to

institutions, trust companies, investment advisors, custodians, etc.).

SCREEN NO. 1 - 6

				VMIF Incorrect Reply - 2
MSG	01. <input type="checkbox"/>	01/04/95	1:35pm	Broker Confirmation
REPLY: CONFIRMATION INCORRECT		Trade Reference : 012657004		
The Following Reason Or Reasons The Confirm Is Incorrect.				
Enter keys ---				
01	Price			
02	Quantity			
03	Security			
04	Trailer Information			
05	Trade Date			
06	Settlement Date			
07	You Did Not Order Any Trade			
08	Your Name And/Or Address Is Incorrect			
09	Currency			
10	You Ordered A Sale			
11	You Ordered A Buy			
12	You Ordered A Short Sale			
Press '#' To See Next Screen - CONTINUE				
Press 0# To See Previous Screen				
Press '*#' To Return To Confirm Screen To Change Trade Reply To CORRECT				

having multiple errors, so that a reply to the broker will enable the broker to cancel and correct or just cancel, based on the user's response, enabling the financial institution to address and correct all the errors, so that a minimum amount

65 The next screen displayed (see Screen No. 1-7) is the broker confirmation "Page 2" of the transaction that has just occurred, which is a continuation forward scrolling of the previous screen display (Screen No. 1-6).

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SCREEN NO. 1 - 7

		VMIF Incorrect Reply - 3	
MSG	01.	01/04/95	1:35pm Broker Confirmation
REPLY: CONFIRMATION INCORRECT		Trade Reference : 012657004	
The Following Reason Or Reasons The Confirm Is Incorrect.			
13	Account Number		
14	Incorrect Registered Rep		
15	Incorrect Type Of Account		
16	Should Be A Margin Type		
17	Should Be A Cash Type Account		
18	Should Be A COD Type Account		
19	Incorrect Commission		
20	Incorrect Interest Amount		
21	Net Amount Is Incorrect		
22	Other Money Field		
23	Depress Keys That Match Money Amount \$_____		
24	You Are Not Sure. You Request Your Representative To Call.		
25	Trade Incorrect But Reason Is Non Of The Above.		
Enter ** if all reasons are entered.			
Enter your PIN number		_____	Press**
Return to Main Menu by Depressing ##			
Press 0# To See Previous Screen			
Press '#*' To Return To Confirm Screen To Change Trade Reply To CORRECT			

The next step of the stock transaction is the payment for the stock by an electronic funds transfer by a bank. The following screen displays (see Screen Nos. 1-8 and 1-9) show the cash movement transaction.

SCREEN NO. 1 - 8

		VMIF Correct Reply - 1	
ELECTRONIC FUNDS TRANSFER FOR REFERENCE NUMBER 012657004			
Cash Movement Transaction			
Input Date:	MM/DD/YY	Settlement Date:	01/11/95
Type:	Please reinit		
Chose source of payment			
01 For Bank of New York			
02 For Chemical Bank			
03 For Bank Of Montreal			
04 Cash On Account At Best & Company			
05 Sell Money Market			
These Sources Are Listed On Your Profile.			
Please Select One By Entering The Number To The Left Of The Bank Name.			
You Selected	01 Bank Of New York		
If Correct	Enter a '5'		
If Not Correct	Enter a '*' And Your Response.		
Account Number 630033587 (Generated By Data From Client Profile)			

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SCREEN NO. 1 - 9

CONTINUED	VMIF Correct Reply - 2
-----------	---------------------------

**ELECTRONIC FUNDS TRANSFER
FOR REFERENCE NUMBER 012657004**

Funds are denominated in the following currencies.

01 for USD	04 for Yen	03 for LBS
02 for FF	05 for DM	

Enter Choice of Currency followed by **

Now enter the amount to be transferred

Enter Whole number denomination followed by **

Enter fractional (cents) denomination followed by **

You have entered: Country/Currency USA Dollars

Amount to be transferred: USD 6,837 Decimal 50

Enter your PIN number _____ and **

To: Bank of New York For Account Number: 6300115889

Pay To: Best Brokerage Co. Incorporated

For account: 003-123456-1

Comment: Trade purchased on 01/04/95

IF CORRECT ENTER 8*. IF INCORRECT ENTER * TO RETRY ENTERING**

Cash Movement Transaction number NYMS1689331. COMPLETED/////

Return to Main Menu by Depressing #8
Press 0# To See Previous Screen

SCREEN NO. 1 - 10

**ELECTRONIC FUNDS TRANSFER
FOR REFERENCE NUMBER 012657004**

Cash Movement Transaction Receipt
Date 01/04/95 Time 10:14:01PM

To: Bank of New York	For Account Number: 6300115889	
Input Date: 01/04/95	Settlement Date: 01/11/95	

Remit To: Best Brokerage Co. Incorporated

For account: 003-123456-1

Amount: USD \$ 6,837.50

Comment: Trade purchased on 01/04/95

Cash Movement Transaction number NYMS1689331. COMPLETED/////

The transaction entry for cash movement generates at least two electronic messages. One to the bank via the data center's videophone interactive mailbox facility and one to the recipient of the funds based on the user's instruction profile.

Additional interested parties may be on the user's profile to facilitate messages the user wishes to address, such as an investment advisor or tax accountant or partner, etc.

The messages will be addressed to the recipients by way of the "VMIF" video interactive mailbox facility if they are on the customer list or via the user's profile entering their fax numbers (primary and alternate) or telex (primary or alternate).

The messages themselves will carry the last sequence number that the data center stores and transmits back to the user increased by one at the start of the session when the user opens the videophone mailbox. The data center facility authenticates the videophone logged into the service for a valid electronic serial number, which is encrypted and placed into the videophone by the data center.

This encrypted electronic serial number designates the decryption routine associated for that particular phone. Each videophone message is encrypted, and the decryption routine works with additional fields to conclude and identify which routines are to be used and thereby verifies that the videophone is not a counterfeit. Only the data center will have a copy of the decryption routines housed at the data center files, which enhances the authentication process.

A small dot matrix or laser printer will be built into the videophone, so that a copy of the transactions received and sent can be retained as further proof. Transaction numbers, dates, and reference numbers can be used to review the archived messages.

The present invention defines a videophone to be any device having the capabilities to receive video/voice and/or video/text as its primary function and which, in the future, may have additional capabilities added to it that will enable it to perform functions that a PC computer performs today. Further, a videophone is defined to include cellular videophones or wireless videophones or all videophones inte-

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grated with additional PC technologies and similar capabilities (disk storage, CDs, diskettes, and memory in the megabyte range and up and/or keyboards). Any videophone that receives any kind of electronic video/voice and/or video/text or any form of video for viewing by the client and is stored on a computer facility which generates any form of video and in which the party on the videophone is not utilizing his videophone to converse and see the other calling party or parties he called in real time (both sides physically there) is also defined to be a videophone of the present invention.

Credit cards will also be a part of the payment system for purchases by the user, which will depend on the retailer or wholesaler offering that service.

In the present invention, there is an enhancement to the videophone by having a separate screen attached by a cable or wireless (FM, infrared beam, etc.), with the phone having the capability to handle two lines or more in the future to receive a video movie on that separate line or the primary line for movies on request for viewing on the videophone.

This will allow the user to request stock reports from companies of his choice to be viewed at his leisure and review his holdings and cash balances at any financial institution.

The videophone user can generate an electronic order to purchase securities and addressed to the recipient of his choice which the recipient will receive via the mailbox at the data center.

EXAMPLE NO. 2

DEPARTMENT STORES

The following is an example of how the system of the present invention is applied to a department store transaction involving the purchase and sale of a girl's dress between a user, and a department store with payment through a credit card firm, or bank transfer or other method.

SCREEN NO. 2-1

Index page 1 of 2	
Welcome To Main Menu	
Select choice of interest by entering the number followed by the "*"	
01 Videophone Interactive Mailbox 02 Department Stores 03 Resorts 04 Real Estate 05 Jewelry Stores 06 Catalogues 07 Phone number directories 08 Computer Supplies 09 Airline Schedules and Reservations 10 Restaurants and/or Reservations	
Enter Number _____	Go to Next Page - Press ***
Depress * to Enter	

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SCREEN NO. 2-2

Index page 2 Of 2	
Welcome To Main Menu	
11 Restaurant Delivery Services 12 Hotels/Motels Cities and Reservations 13 Theater schedules and ticket information 14 Supermarket Shopping 15 Overnight Pickup/Delivery Services 16 Automobile Repair Services 17 Music Instruments Purchase/Rentals 18 Power Tool Rentals 19 Ice Rinks, Schedules, Supplies 20 Taxi and Limousine Services	
Enter Number _____	Go to previous menu enter #
Depress * to Enter.	

The data center's main menu will always be displayed once the user enters a double pound(##) sign. This will invoke a fast call to the data center's services directory programmed on a ROM chip installed on the user's videophone. The main menu is updated and reflects all services available currently. As more services become available, they are added immediately to the main menu software along with the affiliated menu offering with the video/voice/text supplied to the data center by the vendors, such as retailers/wholesalers.

The section is clear and simple and uses the combination of an asterisk(*) to enter the selection and three asterisks (***) to scroll forward. It uses the pound key(#) to scroll backward.

Once the selection is made, the data center flashes a menu selected by the user, as shown by Screen Nos. 2-1 and 2-2. In this representation, the selection was 02, which reflects the user's request for a list of department stores.

The menu will present a screen with all of the department stores whose services have been added to the data center's system. The Screen No. 2-3 reflects all the department stores who are part of the data center service. The user only enters the department store he wishes, and the subsequent menu, as shown by Screen Nos. 2-4 and 2-5, will be the department store menu categorized by the department, which, in turn, will allow the user to select the subject of interest. The user's selection will invoke a video/voice/text session, so that the user will see the visual items, as well as a description of the item as to the materials used and can also exhibit the item by displaying a model of the displayed item in a setting if the item is furniture, tablecloth, etc., or if clothes, a boy/girl or woman/man/teenager modeling the item selected, as this enhances sales. In a department store setting, this would be prohibitively expensive. Each item would be modeled and in actuality reproduced as many times as the item is called up by the user he wishes to view.

The videos are prepared ahead of time and updated as new inventory is added. The videos would be filed in the Macy mailbox facility and will be available concurrently by as many users as necessary. This is accomplished by the data center's multiple sessions' capability of hardware and software.

Once a selection is made by the user, the screen appears, as shown by Screen No. 2-6, for payment of the item by credit card information or the funds transfer system offers that will carry the bank of his choice. If the user is in the Macy department store screen at the time he selects the payment method of his choice, the data center's system carries the Macy's bank/lockbox id for the payment transfers destination.

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The payment menu is the same as the one exhibited for broker stock purchase payments. If a credit card is selected, the item number, date, and phone encryption id is validated when the user enters his information by the screen utilized for credit card payments.

As the payment Screen No. 2-6 depicts the item number selected and the size and color plus the amount plus tax, all payment options including the credit cards that the department store utilizes will be displayed. For a credit card transaction, for example, the customer enters his number and expiration date plus PIN number, where required. This is checked immediately against credit card companies for affirmation. Once approved, the information is recorded on the user's profile for his personal retrieval, and a hard copy is produced like at a point of sale terminal at stores.

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SCREEN NO. 2-3

Welcome to Department Stores On-Line		20
01 Macy's FLASH ** 25% Discount Day on Selected Items**		
02 Sak's		
03 Bloomingdale's		
04 Lord & Taylors		
05 Neiman Marcus		25
06 Nordstroms		
07 JC Penny		
08 Sears		
09 Burdines		
10 Bergdorff Goodman		
11 Henri Bendels		30
Enter Number _____		
Enter * to Select	To return to Main Menu Depress #	

SCREEN NO. 2-4

Department Stores On-Line	
MACY'S DEPARTMENT STORE	
MAIN MENU	
Select choice of interest by entering the number followed by the ""	
01 Mens Clothing	
02 Womens Clothing	
03 White Sale	
04 Perfumes	
05 Jewelry	
06 Furniture	
07 Electronics Equipment (Audio/Video/Games/Cameras)	
08 Hardware Department	
09 Dishes, Glasses, Pots/Pans, Utensils	
10 Kitchen Supplies Electronic	
11 Curtains, Table Linens, Rugs	
12 Other	
13 Credit Card Applications	
Enter Number _____	
Enter * to Select	To Scroll Backwards Depress ## or ### for Main Menu

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SCREEN NO. 2-5

Department Stores On-Line

MACY'S DEPARTMENT STORE
CHILDREN'S CLOTHING DEPARTMENT

Select choice of interest by entering the number followed by the "*"

- 01 Shirts
- 02 Boys/Girls Pants
- 03 Boys/Girls Shoes
- 04 Boys/Girls Sport Clothes
- 05 Boys/Girls Coats
- 06 Boys/Girls Undergarments
- 07 Boys/Girls Suits
- 08 Ties
- 09 Boys/Girls Dress Sport Coats
- 10 School Supplies
- 11 Toys, Electronic etc.
- 12 Dresses
- 13 Boys/Girls Misc. (sweaters, pullovers etc.)

Enter number _____
Depress * to Select

Enter # to scroll forward
or ### to return Main Menu

SCREEN NO. 2-6

Department Stores On-Line

MACY'S DEPARTMENT STORE
PAYMENT SYSTEM

You have selected item Q1356 Girls dress Size 6 Color GREEN
Original purchase price \$15.00 less 15% discount.

Total amount Due plus tax is AMOUNT \$ (will be displayed)

Credit cards

- 01 Macy's
- 02 VISA
- 03 American express
- 04 Diners Club
- 05 Master Card

Enter number for selection ____ (Press * when Done)

Enter credit card number _____ (Press * when Done)
Enter expiration Date _____ (Press * when Done)
Enter Pin Number _____ (May not be necessary) (Press * when Done)

EXAMPLE NO. 3

RESORTS TRAVEL SERVICES

The following is an example of how the system of the present invention is applied to a resort travel service transaction involving the user choosing a resort with regard to place of stay, hotel selection, room selection, reservation placement, and payment form for the completion of the transaction with the vendor resort.

The data center's main menu will always be displayed once the user enters a double pound(##) sign, as previously described. This will invoke a fast call to the data center's services directory programmed on a ROM chip installed on the data center's videophone.

The main menu is updated and reflects all services currently available. As more services become available, they

are added immediately to the main menu software along with the affiliated menu offering with the video/voice/text supplied to the data center by the vendor resort offering their services.

The selection is clear and simple and uses the combination of an asterisk(*) to enter the selection and a triple asterisk(***) to scroll forward. It uses the pound(#) key to scroll backward. Once the selection is made, the data center flashes a menu selected by the user.

In this representation, the selection was 03, which reflects the user request for a list of resort travel services for the world, as shown by Screen Nos 3-1 and 3-2.

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SCREEN NO. 3-1

Index page 1 of 2

Welcome To Main Menu

Select choice of interest by entering the number followed by the "*"

- 01 Videophone Interactive Mailbox
- 02 Department Stores
- 03 Resorts
- 04 Real Estate
- 05 Jewelry Stores
- 06 Catalogues
- 07 Phone number directories
- 08 Computer Supplies
- 09 Airline Schedules and Reservations
- 10 Restaurants and/or Reservations

Enter Number _____
Depress * to Enter

Go to Next Page - Press ***

SCREEN NO. 3-2

Index page 2 of 2

Welcome To Main Menu

- 11 Restaurant Delivery Services
- 12 Hotels/Motels Cities and Reservations
- 13 Theater schedules and ticket information
- 14 Supermarket Shopping
- 15 Overnight Pickup/Delivery Services
- 16 Automobile Repair Services
- 17 Music Instruments Purchase/Rentals
- 18 Power Tool Rentals
- 19 Ice Rinks, Schedules, Supplies
- 20 Taxi and Limousine Services

Enter Number _____
Depress * to Enter

Go to previous menu enter #

The RSRT1 is evoked when the selection 03 (resorts) is depressed at the user videophone mailbox. The separate regions narrow the search for the vacationer to minimize search time and maximize resort review time, shown on Screen No. 3-3 and 08* is entered, showing Screen No. 3-4. After reviewing Screen No. 3-4, giving a list of the Hawaiian Islands, the user then picks Maui and enters 03*, which then shows Screen No. 3-5, giving a listing of the vendor resorts located on the island of Maui. The user then picks the Maui Royal Hilton and enters 01*, which then shows Screen No. 3-6, giving the user a full description of the resort and its facilities, along with daily room rates.

Entry of an asterisk(*) produces a video show of the rooms, views, and any other points of interest, as produced by the resort, with the return to Screen No. 3-6 at the end of the video for the next step instruction.

If the user wishes to make a reservation at this resort, he/she would press 01**, and Screen No. 3-7 would appear for the reservation fulfillment process, as shown on Screen No. 3-7.

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SCREEN NO. 3-3

RSRT1

Welcome To Resorts of the World

- 1 USA-NorthEast
- 2 USA-SouthEast
- 3 USA-NorthWest
- 4 USA-SouthWest
- 5 USA-MidWest
- 6 USA-Panhandle
- 7 USA-Porto Rico
- 8 USA-Hawaii
- 9 USA-Virgin Islands
- 10 USA-Alaska
- 11 Great Britain
- 12 France
- 13 Germany
- 14 Australia

Enter Number _____
Depress * to Enter

To return to Main Menu Depress #

SCREEN NO. 3-4

RSRT 08
USA Hawaii

GENERAL AREAS

- 01 Honolulu
- 02 Maui
- 03 Kawai
- 04 Big Island
- 05

Go to Next Page - Press ***

SELECT

Enter Number _____
Depress * to Enter

Go to previous menu enter #
Go to Main Menu enter ###

SCREEN NO. 3-5

RSRTLOC MAUI
MAUI Resorts

HOTELS AND RESORTS

- 01 Maui Royal Hilton
- 02 Maui Concord
- 03 Seaside Hotel Royal
- 04 Maui Grande Duchesse

Go to Next Page - Press ***

SELECT

Enter Number _____
Depress * to Enter

Go to previous menu enter #
Go to Main Menu enter ###

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SCREEN NO 3 - 6

RSRTLOC MAUI RH
Maui Royal Hilton

DESCRIPTION

This Hotel is rated four stars by all the major traveling services. Hotel is situated on the water with elegant services which include seaside tents. All types of recreational equipment connecting canals and water slides. The recreational pool has volleyball, water weights and floats available. Food and bar service covers entire poolside and seaside area. Tents available poolside. Eight restaurants offering different cuisines for all palates. Daycare is available with exciting daily programs.

Rooms are very elegant with two size types. All rooms face the ocean with very large elegant bath and shower.

Daily Room Rates
\$375.00
\$475.00

To make reservations press _____
Depress * for view of rooms and ocean exposure
Depress 9 to return to main Hawaii menu
Depress 5 to return to main menu
Go to previous menu enter #

SCREEN NO 3 - 7

RSRTLOC MAUI
Maui Royal Hilton

RESERVATION PAGE

Enter the date of arrival. Example 0108 ENTER _____
Enter the date of departure. Example 0117 ENTER _____

Type of Room Requested
Number of adults
Number of Children
Special rate card

Any other information requested by the resort in an entry format compatible with the system

SELECT

Once all selections are made
Depress * to Enter and
go to payment screen

Go to previous menu enter #
Go to Main Menu enter #####

OPTION TO GO TO VOICE RESERVATION ON LINE OR PLACE RESERVATION ON
THE RESERVATION PAGE.

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Once a selection is made by the user, Screen No. 3-8 appears for payment by credit card information or the funds transfer system that the data center offers that will carry the bank of his choice. Once the user selects the payment method of his choice, the data center system carries the bank/lockbox id for the payment transfers destination.

The payment menu is the same as the one exhibited for the broker stock purchase payments. If a credit card is selected, the item number date phone encryption id is validated when the user enters his information by the screen utilized for credit card payments.

As the payment screen depicts the desired choice of resort, room options and all other options are selected. The reservation request would be routed to the hotel for affirmation. If the reservation is affirmed, the payment screen would come up. If the reservation is rejected, the reason would be displayed as an error message, and new selections would have to be made.

If payment is to be made, the affirmation page would be in the form of the payment transmission page, as shown on Screen No. 3-8. The total amount due plus tax is displayed with all payment options.

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For a credit card transaction, for example, the customer enters the credit card code number, and if in the profile, his number and expiration date come up automatically, and he then enters the PIN number where required. This is checked immediately against credit card companies for affirmation. Once approved, the information is recorded on the user's profile for his personal retrieval, and a hard copy is produced like at a point of sale terminal at stores and would serve as the confirmed reservation check.

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190 which completes the brokerage firm transaction. The user can then respond to other messages in the mailbox 190 or return to main menu 192.

The other transaction depicted in FIG. 6 is the use of the videophone system 10 by a user, at user station 100, to make a purchase from department store 303. The user selects which department store 303 to buy from, as shown in Screen No. 2-3, using the department store list menu on videoscreen 122. The user then selects the desired department, as shown

SCREEN NO 3 - 8

ELECTRONIC FUNDS TRANSFER		Resorts on Line
You have selected (all particulars would be displayed)		
Total amount Due plus tax is	AMOUNT \$ (will be displayed)	
Credit cards		
01 Master Card		
02 VISA		
03 American express		
04 Diners Club		
05 Any Other		
Enter number for selection ____ (Press * when Done)		
Enter credit card number _____ (Press * when Done) 0		
Enter expiration Date _____ (Press * when Done)		
Enter Pin Number _____ (May not be necessary)		
(Press * when Done)		

TRANSACTION FLOW CHART

FIG. 6 shows the typical pathways of information flow for the transactions examples dealing with a brokerage firm 301 and a department store 303, starting with data entry to the expanded touch pad 130 of the user's videophone 120 and finishing with a confirmation of the transaction by a printout from printer 140 to the user.

FIG. 6 shows the sequence for a brokerage transaction by a brokerage firm 301 using the videophone system 10. The user at videophone station 100, by looking at screen 122, is informed that his/her electronic mailbox has a broker confirmation to be acted on, as shown in Screen No. 1-3. The user studies the confirmation transaction on videoscreen 122, as depicted in Screen No. 1-4, and decides if the transaction is incorrect or correct.

If the transaction is incorrect, as shown in Screen Nos. 1-5, 6, and 7, the user responds by sending an electronic response to the mailbox of data center 200, advising as to what is incorrect, or requesting the brokerage firm to call the user, or the user reviews the transaction and takes no further action. The data center 200 advises the brokerage firm 301 of the action required, and the user then goes back to the mailbox 190 for further action, if required.

If the transaction is correct, the user selects a payment choice, such as instructions to a bank via the mailbox of the data center 200, as shown in Screen Nos. 1-8 and 1-9. The bank then advises the brokerage firm 301 of the payment. The brokerage firm 301 confirms the transaction by a printout from printer 140 to the user, as shown by Screen No. 1-10, and the videoscreen 122 then returns to the mailbox

in Screen No. 2-4, such as children's wear, shown on-screen 2-5. The user then continuously scrolls the videoscreen 122 until the user selects the item of purchase wanted, such as a girl's dress. The user can then see that item and/or text related to that item on the videoscreen 122. If the user is not interested at this point, the user can return to the main menu 192, or to the store main menu for another selection, etc., as shown by Screen No. 2-3. If the user is interested in the girl's dress, a recap of the purchase selection is made on the videoscreen 122. The user then selects a payment choice, such as a store credit card, a major credit card, or a bank transfer, as shown in Screen No. 2-6. If a credit card is used, the information is given to the data center 200 for credit card approval. If the credit card is not approved, the payment choice loop is repeated. If approved, a bill request is given to the credit card company for payment to the department store 303. If a bank transfer is used, instructions are issued to the bank 302 via the data center 200. The data center 200 then sends instructions to the department store 303 on the order requested, payment advice, and how the item purchased is to be shipped, etc.

The department store confirms the order purchased by sending a printout to the user, and the user returns to the main menu 192 on videoscreen 122 which completes the department store transaction, as shown in Screen Nos. 2-1 and 2-2.

OPERATION OF SECURITY SAFEGUARDS

In operation of the videophone interactive mailbox facility system 10 where communication of information is vital

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between a user station 100, the data center 200, and a vendor station 300, there is a need for security safeguards of messages and transactional communications, as shown in FIGS. 5 and 6 of the drawings. In keeping messages and transactions secure against actions by unauthorized third parties, there is the use of encryption/decryption cipher microchips.

Typically, this prevents three forms of unauthorized third-party security abuse: the first being the interception and reading of a message/transaction which violates the message/transaction privacy; the second being an interception and modification of the message/transaction which is a violation of message/transaction integrity; and the third being the fabrication of a realistic-looking substitute message/transaction which is a forgery or impersonation.

FIG. 5 shows the message flow pattern from a user station 100 to a vendor station 300. For example, when a user station 100 sends a message via the data center 200 to a vendor station 300, the user station 100 has an encryption encoder cipher microchip 180 which disguises the message, so as to hide its substance, and it thus becomes a cipher text or encrypted message. The cipher text is then electronically transferred to the data center's decryption decoder cipher microchip 228, which converts the cipher text back into its original plain text (plain text is a message whose substance can be understood by mere reading) in which microprocessor 202 then records and processes the message to a proper database 216 file. The aforementioned message is then encrypted again by the data center's encryption encoder cipher microchip 226 into a new cipher text. This new cipher text is then electronically transferred to the decryption decoder cipher microchip 358 at vendor station for decryption into plain text, and the plain text message is then processed by the vendor station's 300 PC340 for an appropriate action by the vendor.

Conversely, when the reply message flows from the vendor station 300 to the user station 100, as depicted in FIG. 6, the message flow is now reversed. For example, when vendor station's 300 PC340 sends the reply message in plain text, the encryption encoder cipher microchip 356 converts the plain text reply message into cipher text, which is then electronically transferred to the data center's 200 decryption decoder microchip 228. This action converts the cipher text back into its original plain text, which microprocessor 202 records and processes the reply message to an appropriate database file 216. Then the aforementioned reply message is encrypted again by the data center's 200 encryption encoder cipher microchip 226 into a new cipher text algorithm. This new cipher text is then electronically transferred to the user's station 100 decryption decoder cipher microchip 182 for decryption into the reply message plain text. The reply message is then put on the videophone's 120 display screen 122 for the user's visual review and a hard printed copy of the reply message can be printed out by printer 140 for the user's office account records.

ADVANTAGES OF THE PRESENT INVENTION

Accordingly, the primary advantage of the present invention is that it provides a videophone interactive mailbox facility system that allows the user to view products and services by a videophone component that is easier and faster to use and less expensive than a personal computer and also more user friendly than a personal computer.

Another advantage of the present invention is that it provides to the end users a functionality of application and equipment they desire without undue complexity of learning to use a particular application and equipment for the network system.

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Another advantage of the present invention is that it provides for the various vendor applications' databases and incorporation of new applications, which can be continuously and easily expanded, on an ongoing basis, at the network system's data center with information supplied by the vendor. This expansion to the system is achieved without adding to the network system's hardware at the data center already in place and without any additional burden placed on the user to use or learn the system already taught.

Another advantage of the present invention is that it provides for a network system that has state-of-the-art security safeguards for message privacy and transaction authentication by using encryption and decryption algorithm cipher microchips in hardware used by the vendor, the data center, and the subscriber. These security safeguards protect against embezzlement, fraud, and theft of services for all parties involved in the network system's day-to-day transactions and operations.

A further advantage of the present invention is that it provides for a network system that has worldwide application in all of its uses for the subscribers and/or vendors.

A latitude of modification, change, and substitution is intended in the foregoing disclosure, and in some instances, some features of the invention will be employed without a corresponding use of other features. Accordingly, it is appropriate that the appended claims be construed broadly and in a manner consistent with the spirit and scope of the invention herein.

What is claimed is:

1. A videophone interactive mailbox facility system including a central data center for processing of information to conduct a transaction, comprising:

a) a user station having a videophone for viewing transaction information sent or received to conduct a transaction; and means for inputting said transaction information into said videophone; said videophone including a memory chip for storing said transaction information and an interface chip for interfacing with said central data center; and

b) said central data center electronically connected to said user station and including a computer processor for centralized transmitting, receipt of and storage of said transaction information and vendor-type information with said user station; database storage components for receiving and storing said transaction information sent from said user station; and a network interface for electronically connecting and making said computer processor compatible with said user station.

2. A videophone interactive mailbox facility system including a central data center for processing of information, comprising:

a) a user station having a videophone for viewing information sent or received; and means for inputting said information into said videophone;

b) a vendor station having computer means for the transmission and receipt of vendor-type information to or from said central data center; and database storage components for receiving and storing said information sent from said user station via said central data center; and

c) said central data center electronically connected to said user station and said vendor station and including a computer processor for centralized transmitting, receipt of and storage of said information and said vendor-type information with said user station and said vendor station; and a network interface for electronically con-

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necting and making compatible said computer means at said vendor station and the videophone at said user station.

3. A videophone interactive mailbox facility system including a central data center for processing of information, comprising:

a) a user station having a videophone for viewing information sent or received; and means for inputting said information into said videophone; and

b) said central data center electronically connected to said user station and including a computer processor for centralized transmitting, receipt of and storage of said information and vendor-type information with said user station; database storage components for receiving and storing said information sent from said user station; and a network interface for electronically connecting and making said computer processor compatible with said user station.

4. A videophone interactive mailbox facility system including a central data center for processing of information to conduct a transaction, comprising:

a) a user station having a videophone for viewing transaction information sent or received to conduct a transaction; and means for inputting said transaction information into said videophone; said videophone including a memory chip for storing said transaction information and an interface chip for interfacing with said central data center;

b) a vendor station having computer means for the transmission and receipt of vendor-type information to or from said central data center for conducting a transaction; and database storage components for receiving and storing said transaction information sent from said user station via said central data center; and

c) said central data center electronically connected to said user station and said vendor station and including a computer processor for centralized transmitting, receipt of and storage of said transaction information and said vendor-type information with said user station and said vendor station; and a network interface for electronically connecting and making compatible said computer means at said vendor station and the videophone at said user station.

5. A videophone system in accordance with claim 4, further including an interface network for making said vendor station computer means compatible with said computer processor at said central data center.

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6. A videophone system in accordance with claim 4, wherein said videophone further includes an expanded touch pad for sending additional detailed information, and a pointer for use on the videophone monitor screen.

7. A videophone system in accordance with claim 4, wherein said user station further includes a printer for printing out said transaction information and said transactions, and wherein said means for inputting said transaction information is a touch pad.

8. A videophone system in accordance with claim 4, wherein said vendor station includes a video system for transmitting a visual representation of vendor products or services.

9. A videophone system in accordance with claim 4, wherein said vendor station computer means is electronically connected to modems, telephones, videophones, printers, and work stations for sending out said vendor-type information.

10. A videophone system in accordance with claim 4, wherein said central data center further includes personnel work stations for technicians and for vendor and user applications.

11. A videophone system in accordance with claim 4, wherein said central data center further includes database storage components for video transmission and for storage of said transaction information and said vendor-type information.

12. A videophone system in accordance with claim 4, wherein said central data center further includes buffer components for the holding of said transaction and vendor-type information to be processed.

13. A videophone system in accordance with claim 4, wherein said computer processor at said central data center is further connected to networks, modems, videophones, printers, and fax machines for the transmission of said vendor-type information and said transaction information with said user station and with said vendor station.

14. A videophone system in accordance with claim 4, wherein said user station, said vendor station, and said central data center each further include an encryption encoder and a decryption decoder for safeguarding said transaction information sent or received.

15. A videophone system in accordance with claim 4, wherein said computer processor is electronically connected to one or more telephones at said central data center and a display screen for monitoring said transactions.

* * * * *

**UNITED STATES
DISTRICT COURT**
SOUTHERN DISTRICT OF CALIFORNIA
SAN DIEGO DIVISION

**# 145497 - BH
* * C O P Y * *
December 13, 2007
14:16:03**

Civ Fil Non-Pris
USAO #: 07CV2332 CIVIL FILING
Judge..: WILLIAM Q HAYES
Amount.: \$350.00 CK
Check#.: BC# 65190

Total-> \$350.00

**FROM: CIVIL FILING
CRICKET V. VISAUL INTERACTIVE**

JS-44 (Rev. 11/04)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS

CRICKET COMMUNICATIONS, INC.

DEFENDANTS

VISUAL INTERACTIVE PHONE CONCEPTS, INC.

(b) County of Residence of First Listed Plaintiff San Diego

(EXCEPT IN U.S. PLAINTIFF CASES)

County of Residence of First Listed Defendant U.S. DISTRICT COURT
(IN U.S. PLAINTIFF CASES ONLY)NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE
LAND INVOLVED. H Y DEPUTY

Attorneys (If Known)

(c) Attorney's (Firm Name, Address, and Telephone Number)
See Attachment hereto

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff
☐ 2 U.S. Government Defendant
- ☒ 3 Federal Question (U.S. Government Not a Party)
☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | | | | | |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| | PTF | DEF | | PTF | DEF |
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury PERSONAL INJURY <input type="checkbox"/> 362 Personal Injury - Med. Malpractice <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input checked="" type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition		

V. ORIGIN

(Place an "X" in One Box Only)

- ☒ 1 Original Proceeding
☐ 2 Removed from State Court
☐ 3 Remanded from Appellate Court
☐ 4 Reinstated or Reopened
☐ 5 Transferred from another district (specify)
☐ 6 Multidistrict Litigation
☐ 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
28 U.S.C. §§ 2201 and 2202Brief description of cause:
Declaratory Relief of Patent Invalidity and Non-Infringement

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23
DEMAND \$

CHECK YES only if demanded in complaint:

JURY DEMAND: ☒ Yes ☐ No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE Dana M. SabrawDOCKET NUMBER 07-CV-1991 DMS (LSP)DATE
12/12/2007

SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY

RECEIPT # 145447 AMOUNT \$350 12/13/07
APPLYING IFP JUDGE MAG. JUDGE

ORIGINAL

ATTACHMENT TO CIVIL COVER SHEET

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